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Iran's Push for Nuclear Arms and a Small Airstrip in Germany

By Chris Hedges
New York Times Service

HASENMOOR, Germany — The tiny Hartenholm civilian airport here, with its fleet of a dozen aging Cessnas, small wooden buildings for the local parachute club, snack bar, nine warehouses, and red-and-white-checkered control tower, appears to be the idyllic home for weekend and business fliers.

But the airport, which, because of its size, operates largely beyond the scrutiny of the customs authorities, is believed to be one of dozens of transit points used by the Iranian government to smuggle from Europe to Iran, weapons parts, and advanced technology used to develop nuclear weapons, Western intelligence officials say.

Some intelligence officials say they believe that despite an embargo imposed by the West, Iran may have a nuclear capacity in as little as five years.

Intelligence officials say the airport is part of an

elaborate network set up by Iran's Islamic government throughout Europe, Russia, and the Central Asian republics, one that is apparently also being used to funnel weapons to the Croatian government and Muslims in Bosnia.

The airport, which is 56 kilometers (35 miles) north of Hamburg, is owned by three Iranians who are reputed to be among the biggest arms dealers in Europe, the officials say.

And some German officials say they now suspect that some Iranians who have used the airport for arms trafficking, backed by the Tehran government, may be implicated in the mysterious death in 1987 in a Geneva hotel room of Uwe Barschel, the former premier of the German state of Schleswig-Holstein, where the airport is located.

Intelligence agencies are so overwhelmed by the scope of the Iranian smuggling operation that, they said, it is almost impossible to monitor. The clandestine equipment, they said, is often broken down

into nearly unidentifiable parts and shipped out from different countries and by different routes.

"It is almost impossible to trace the material being smuggled out by the Iranians," a senior German intelligence official said. "Unless you know exactly what type of technology they are trying to build, the smugglers can collect various parts, from various sources that mask the Iranians' intent."

"The Iranians spread their acquisitions program over a large area. We were able to stop one recent acquisition only because we obtained the key numbers of the component they wanted to build on a computer disk. Our best hope now is that we can delay the process. We will not be able to stop it."

Iranian officials deny that Tehran is trying to build a nuclear arsenal. Iran's foreign minister, Ali Akbar Velayati, has called for all nuclear weapons programs in the Middle East to be disclosed and has chastised Israel for refusing to sign the Nuclear Nonproliferation Treaty, which Iran has signed.

German intelligence officials said that they had mounted an ambitious program to halt the flow of arms-related technology to Iran. "There was no way the Germans were ever willing to provide German technology to help the Iranians," Bernd Schmidbauer, the chancellor's minister in charge of intelligence coordination, said when asked about Iran's smuggling network. "This has been our position and is adhered to strictly."

Intelligence officials said that the Iranian effort to acquire nuclear weapons technology mirrored the push by President Saddam Hussein to build a nuclear bomb in Iraq over the last 15 years. The Iranians use many of the old Iraqi smuggling routes and contacts, officials said. But, they added, Iran, unlike Iraq, is able to mask many acquisitions because of its nuclear energy program.

The small airport, tucked in rolling pasture land, would seem to be little use to the Iranians. It is built

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Japan Ignites A Firestorm Over Use of Atom Bombs

By Paul Blustein
Washington Post Service

TOKYO — Japan's long-simmering anger over the atomic bombings of Hiroshima and Nagasaki burst to the surface Wednesday as the mayors of those two cities condemned the United States for the nuclear attack, with Nagasaki's mayor likening the 1945 bombings to Hitler's genocidal killing of Jews.

"I think that the atomic bombings were one of the two greatest crimes against humanity in the 20th Century, along with the Holocaust," said Hitoshi Motomatsu, the Nagasaki mayor, in a speech to the foreign correspondents' club here.

Mr. Motomatsu, discounting the U.S. argument that the bombings were necessary to bring World War II to a speedy end, said the United States was motivated to drop the bombs in part by the \$2 billion that the weapon cost to develop.

Hiroshima's mayor, Takashi Hiraoka, speaking at the same forum, also questioned U.S. motives, attributing the bombing to Washington's desire to demonstrate its military power and block Soviet expansion in the Far East.

The mayors' comments offered powerful evidence of the tensions that are rising on both sides of the Pacific as the 50th anniversary of the war's end approaches in August and the gap between the two sides' perceptions of the war grows more obvious.

In recent months, Japanese indignation flared over a U.S. Postal Service plan subsequently dropped — to issue a stamp commemorating the bombings. Anger also erupted here when the Smithsonian Institution decided against showing an A-bomb exhibit emphasizing the devastation inflicted on Hiroshima and Nagasaki, a move widely interpreted in Japan as evidence of America's inability to come to terms with its own war guilt.

Although mayors of Hiroshima and Nagasaki have for decades called the bombings unjustified, the comments Wednesday marked an exceptionally harsh official broadside against the atomic attack.

Throughout much of the postwar era, Japanese officials have refrained from accusing the United States of violating international law or morality, partly because of the importance of the Tokyo-Washington alliance, partly because of the national sense that a defeated country should accept its fate. While extremists of both the left and right denounced President Harry S. Truman's decision to use the bomb, the mainstream view here generally held that Japan, as the only nation to suffer nuclear attack, should put aside rancor about Hiroshima and Nagasaki and strive for the elimination of all atomic weapons.

Some of that forgiving tone was expressed Wednesday as the mayors of both cities emphasized that their main purpose was to achieve total nuclear disarmament, not to point fingers.

"In the days and weeks after the atomic bombings," Mr. Motomatsu said, the survivors "hated the Americans."

"Today, however," he added, "their only feeling now is one of loathing toward nu-

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ASSESSING THE PEACE — Yasser Arafat in Tunis on Wednesday, where he was to lead a Fatah central committee meeting on the peace process.

Middle East Peace: Now It's Up to Assad and Rabin

By Barton Gellman
and John Lancaster
Washington Post Service

JERUSALEM — When Secretary of State Warren M. Christopher arrived in the Middle East last week, Israel's historic movement toward peace with its neighbors was stalled. Syria had cut off direct contacts in December, and Israel slammed the brakes on Palestinian self-rule after a January suicide bombing.

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merous sets of talks were moving again when Mr. Christopher departed the region Wednesday. The American mission exposed some progress, reached in weeks of

NEWS ANALYSIS

secret contacts between Israeli and Palestinian negotiators, toward elections and a partial withdrawal of the Israeli Army from the occupied West Bank. And President Hafez Assad of Syria consented again

to permit his Washington ambassador to meet with Israel's.

"It's turned out to be one of the most satisfying trips I've made to the Middle East," Mr. Christopher said at the windup of his 11th visit in just over two years.

In many ways the outcome suggested little more than a return to the status quo of late 1994. For that reason, and because many people regard next year's U.S. and Israeli elections as a deadline for political gain, the peace talks have proved to be still kicking. That, the director-general of the Israeli Foreign Ministry, Uri Savir said in an interview, "surprises only those who

Two leading Israeli analysts, Shimon Shiffner and Nahum Barnea, described the six-day trip as "a big step for Christopher" and "small step for the peace process."

But that seemed to underscore the psychological boost. After months of obituaries, the peace talks have proved they are still kicking. That, the director-general of the Israeli Foreign Ministry, Uri Savir said in an interview, "surprises only those who

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AGENDA

Tietmeyer Kindles Hopes for Rate Cut

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LONDON (Combined Dispatches) — The current strength of the Deutsche mark may allow the Bundesbank room to cut interest rates on Thursday, the bank's president, Hans Tietmeyer, said in an interview in The Guardian newspaper on Thursday.

His comments gave an immediate lift to the dollar, although they were released well after the New York market had finished trading Wednesday. The dollar rose to 1.3975 Deutsche marks from 1.3895 DM at the New York close.

Mr. Tietmeyer said the Bundesbank's policymaking council would decide Thursday whether the rise in the mark "may give us a little room for reducing rates or whether we have to stay on course."

(Knight-Ridder, Bloomberg)



Vincent Kester/Reuters
The EU fishery commissioner, Emma Bonino, speaking Wednesday.

EU and Canada Plan Talks On Fish as Ship Is Released

By Tom Buerkle
International Herald Tribune

arrested the captain on charges of illegal fishing.

In addition, he said fishing had stopped in the Grand Banks area beyond Canada's 200-mile (320-kilometer) coastal limit.

Canada has declared a 60-day moratorium on fishing for Greenland halibut, or turbot, in those international waters to protect dwindling stocks, but European countries have refused to recognize the ban.

The permanent representatives of the 15 EU countries shelved any discussion of retaliation at a meeting in Brussels. They called for talks to begin here on March 22 under the auspices of the Northwest Atlantic Fisheries Organization, or NAFO, the

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Dow Jones	Trib Index
Down 10.38	Up 0.98%
4048.37	112.35
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Pound	1.5588
Yen	89.50
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Wet. close	previous close

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French Cave Paintings Set Off Stone-Throwing Over Ownership

By Diana Thomas
Washington Post Service

PARIS — In mid-January, the Ministry of Culture announced to the world that several hundred Stone Age cave paintings had been discovered in south-central France by a government archaeological official, Jean-Marie Chauvel. Pictures of the 20,000-year-old paintings were published on front pages and magazine covers, broadcast on television news programs, even zapped over the Internet. The world was mesmerized.

Now comes reality. And the lawyers.

At an original news conference, Minister of Culture Jacques Toubon told reporters that the govern-

ment was going to buy the property where the caves situated, nearly 15 hectares (38 acres) of a 75-hectare farm in the department of Ardèche. But the government had never mentioned this to the farm's owners. And the owners do not want to sell.

"It's the land of our ancestors," said the owner's son, Pierre Chauvel. "We've owned that property 600 years. And there's a family cemetery on the piece the government wants. It's fine that there's a great discovery. It's normal that the government wants to protect it. But we want to keep it."

Too bad, says the government. Either the Chauvel family sells at a reasonable price, "or the government can expropriate the property," says Bernard Notari, the Ministry of Culture's technical counsel for heritage and museums.

In addition to property problems, there is the question of marketing. "Will the family have a percentage of all the souvenirs?" asks the Chauvels' lawyer, Caroline de Foresta. "Or will the state give the owner the rights to copy and sell the products?"

As of now, there are no answers. Prime Minister Edouard Balladur "came to the little village where the caves are and shook hands with Mr. Chauvel a month ago," says Miss de Foresta, "and since then the government has shut down. The lawyers, the Ministry of Culture, no one is answering my calls or letters."

Mr. Notari had no idea whether negotiations were on hold, but did say, "To the family this is very important, but to the government this is a small affair that doesn't require immediate attention."

Meanwhile, Mr. Chauvel and his friends Christian Hillaire and Etielle Brunel-Descamps have their own legal problems. The three of them found the caves on the Chauvel property, on Dec. 18, after Mr. Chauvel felt a current of air blowing through some rocks on the ground.

On Christmas Eve, with the permission of the Chauvel family, they went back, crawled down a 6-meter (21-foot) shaft and found the Stone Age treasure. They took pictures. They made a video. They told the French government, which sent its own expert, Jean Clottes, to check it out and photograph it.

The Ministry of Culture borrowed Mr. Chauvel's

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Renaissance Uganda / Recovering From the Years of Slaughter and Turmoil

Museveni (Too Firmly?) Brings a New Prosperity

By Stephen Buckley
Washington Post Service

JINJA, Uganda — During the 1980s, this city was dying, its economy crushed during Uganda's brutal and chaotic demise under two dictators. Factories vanished. Farmers languished under oppressive government structures. New investment and construction halted.

Today, Jinja and its 70,000 residents are thriving. Old factories have reopened, new businesses have blossomed, foreign investment is pouring in, and a construction boom has begun.

Jinja's comeback is a vivid example of this nation's resurrected economy, which grew 8 percent last year — an exceptional performance on a continent where most economies either shrank or grew more slowly than did their populations.

Since 1992, about \$200 million in foreign investment has flowed into Uganda. Many farmers are flourishing as the government has loosened its grip. Uganda's inflation rate, 250 percent in 1987, has plummeted to 5 percent.

The country's 17 million people remain among the world's poorest. But political stability, high prices for coffee crops and a huge influx of donor cash have fueled a resurgence since the dictators Idi Amin and Milton Obote oversaw the slaughter of at least 500,000 Ugandans during the 1970s and early 1980s.

This nation, once a pariah state, has become a darling of Western politicians and donors, who have pledged \$820 million in aid this year, more than it requested.

"Uganda has definitely come a long way, even though it's got a long way to go," said Mark Ellyne, representative of the International Monetary Fund in Kampala. "A lot of donors are still coming, because they see a country that's really trying to rebuild."

But critics of President Yoweri Museveni, who grabbed power in a coup in 1986, say he has sacrificed democracy for development. They assail him for suppressing opponents and for continuing his ban on political parties, which some politicians decry as an attempt to smother opposition groups before presidential elections in December. Uganda's first such vote in a decade.

In Jinja, Enoka Kiregyera is basking in the nation's newfound economic strength. The 49-year-old farmer hails Mr. Museveni for guiding Uganda's move to a market economy and for encouraging the return of thousands of Indian Ugandan businesspeople banished from the country by Mr. Amin during the early 1970s.

MOST of all, Mr. Kiregyera said, he is pleased that Mr. Museveni has led the dismantling of government marketing boards, to which the farmers were forced to sell their coffee, cotton and other produce at exceedingly low prices, and which then exported those goods for a hefty profit. Economic liberalization has made the government's marketing board just another competitor among a slew of exporters. In 1990, there were only four coffee exporters. Now there are 100. Farmers who once earned only 30 percent of their products' ultimate export price now earn 65 percent to 70 percent.

"The real key has been competition," said Mr. Kiregyera, president of the Jinja chapter of the Uganda National Farmers' Association.



Ugandans hauling in the catch: Foreign investment accounts for 16 percent of gross domestic product.

tion. "We get good prices for our goods now. We bring our things to the market, and we have many people who want to buy."

Uganda's success has come after several years of following reforms ordered by the World Bank and International Monetary Fund. Those measures included devaluing its currency, freeing up export markets and encouraging foreign investment. Since embracing the changes, Uganda has seen its economy grow by about 5 percent a year.

The government has been especially effective at attracting foreign investment, which had dried up during the Amin and Obote years. Foreign investment made up only 7 percent of the gross domestic product during the 1980s; today it is 16 percent.

Uganda's main lure for foreign businesses has been a vastly simplified bureaucracy and tax-free status for five years for large corporations.

In the last three years, 20 new companies have come to Jinja, according to the town clerk, Charles Katarikawe. Three hotels are scheduled to go up in the city, which is an hour's drive east of Kampala, the capital. A fish-processing plant has opened, and a textile factory is planned.

Economic prosperity has sparked a construction boom here. Formerly vacant lots are stacked with bricks for new homes, a picture that is repeated throughout Uganda.

Haim Gonen, 59, an Israeli, came to Jinja late last year to establish a plant that will process soybeans and sunflower seeds into cooking oil and various foods.

He said he was attracted by Jinja's inexpensive land, cheap labor and benign bureaucracy. He bought about six hectares (15 acres) of land for \$39,000, pays workers \$65 a month and got government approval for his business venture in less than three weeks.

"In my country, I would have to talk to the environmental people and then the religious people and then the fire brigade," Mr. Gonen said. "If I try to start a business like this in Israel, for two or three years I suffer."

Jinja had once been flush with such businesses. Then during the early 1970s, Marshal Amin, as he styled himself, tossed out Ugandans of Indian descent, devastating the economies of cities where Indian Ugandans owned 70 percent of the businesses.

Today, they are back. They have reopened sugar and soap factories and a brewery and have launched a steel enterprise as well a packaging operation. The sugar refinery employs 7,500 people. More than 5,000 Indian Ugandan entrepreneurs have returned since the mid-1980s to reestablish businesses.

"We came back because we are Ugandans, and our roots are here," said K.P. Eswar, a senior executive of the Madhvani Group, the dominant company in Jinja. "Things are definitely much better. There is security and stability now, and without those things, no businessman is going to risk investing here."

Both critics of Mr. Museveni say he risks Uganda's security and stability by sometimes employing repressive tactics against opponents.

"He is a sanitized version of Pinochet," said Charles Onyango-Obbo, referring to the former Chilean dictator. Mr. Onyango-Obbo is editor of the Monitor, a newspaper often critical of Mr. Museveni, which recently published a poll that found 65.5 percent of respondents did not think they were economically better off than three years ago.

Two years ago, Mr. Museveni's administration banned government agencies from advertising in the Monitor, cutting the paper's ad revenue by 60 percent.

"Museveni has decided that certain things must be done, certain rights frozen for the sake of people focused on the economy," Mr. Onyango-Obbo said, adding that two journalists were arrested late last year.

The government has banned a civic-education group headed by Solomon Balungi Bossa, a prominent Kampala lawyer.

"They accused us of recruiting people for the opposition," she said.

"When he first said oo parties, we embraced that as a welcome break after all the ethnic hatred we had suffered," Miss Bossa said. "Now, we need to begin taking steps toward pluralism again. They say that political parties will create instability, but they don't even try it."

In recent months, outbreaks of fighting between rebels and security forces have killed hundreds of Ugandans. Miss Bossa blames this in part on "the bottling up of ideas."

Some Ugandan activists complained that Western donors had not held Mr. Museveni accountable for political abuses. They said the West has ignored such abuses in part because Uganda has an assembly writing a new constitution, and Mr. Museveni has agreed to presidential elections.

"He's been held to a different standard because he brought peace and stability to this country," a high-level U.S. official in Uganda said.

Some in Uganda, however, say it is unrealistic to believe the government can balance democracy and economic development.

"If you have democracy and the people are poor, then they cannot see the direct benefits of democracy," said Razzaq Afolabi Olopae, an economist at Makerere University in Kampala. "If you try to have full democracy at this stage of development, you may bring back chaos."

U.S. Airlines Take the Food Out of Flying

By Anthony Faiola
Washington Post Service

WAshington — Airlines in the United States are trimming fat from their in-flight food budgets.

Today, the chances of getting breakfast, lunch or dinner aboard a domestic flight of less than two hours are slim, a survey of seven major carriers shows. Even a costly first-class ticket, once the boarding pass to an airline's approximation of elegant dining, no longer guarantees a traveler more than a cocktail and a bag of honey-roasted peanuts.

But on international flights, U.S. carriers are charting the opposite course, embellishing their menus to compete with finer dining aboard foreign carriers. United Airlines, for example, juiced up food on transcontinental flights on March 1, adding salmon dishes, cheese and crackers and a wider variety of wines. The company, said Larry DeShon, director of catering, used money it saved from cutbacks on domestic service to finance the upgrades.

"It's essential to stay competitive food-wise on our international routes," Mr. DeShon said. "Food is a very visible

element of airline service. It doesn't pay out to keep it."

Most major domestic carriers have retooled their meal service over the last six months, and some are rethinking the whole process of how they serve those meals. To save on distribution costs, for instance, American Airlines last month started banding out bagged breakfasts and lunches at ticket gates inside four airports, including Washington National and Baltimore Washington International.

Facing renewed competition from non-U.S. carriers, airline food — which had become the travelers' oxymoron — was the obvious place to cut, analysts say. Food budgets are more flexible than fuel and payroll budgets. But the trick, major carriers have found, is to find ways to trim the food without robbing full-service carriers of a perk that distinguishes them from cut-rate competitors.

The Southwests and Valuets of the world are forcing the airlines into a situation where they must innovate, and food is one of those rare aspects of the airline industry that is relatively easy to cut," said Joan Strabler, vice president of TravelScan, a Washington consulting firm.

To change the image of airline food from something that requires prayer before eating, major carriers have turned to cold foods, such as deli sandwiches and salads, and even name-brand foods from such companies as McDonald's.

Food service accounts for a significant portion of airline expenses. At USAir, for instance, domestic and international catering cost the company \$169 million in 1994, or 5 percent of its total operating expenses.

That is higher than the industry average, which hovers around 4 or 5 percent. But by cutting food expenses on many flights, USAir trimmed its food per passenger by 27 percent over the past three years, from \$4.32 a passenger to \$3.15.

Continental Airlines, with help from its Continental Lite flight that eliminated most food service, has cut in half the amount it spends on food per passenger since 1991, dropping from \$3.35 to \$3.25. Indeed, with the exception of TWA, every major U.S. carrier slashed food costs on domestic routes over the past three years, according to TravelScan.

The major carriers now do not serve food on most flights of less than two hours. In first class, food is often not served on flights of less than 250 miles, and on economy-class trips of less than 500 miles.

Breakfast is usually served only on flights that take off before 8:30 A.M., lunch on flights taking off between 11:30 A.M. and 1:15 P.M. and dinner on flights between 5:30 and 7:30 P.M., the airlines say.

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TRAVEL UPDATE

Door Lock Is Cited in Ferry Sinking

STOCKHOLM (AP) — Investigators have concluded that a weak door lock was one of the main reasons that an Estonian ferry sank last year, killing more than 900 people, a newspaper reported Wednesday.

The lower lock of the bow visor, a huge door that swung up to allow cars and trucks to be driven into the ferry, was too weak to withstand extremely heavy pounding by rough seas, according to a report by the international investigating commission.

"The locking device was not designed as strongly as it should have been, according to the calculations," the newspaper Dagbladet Nyheter reported, quoting from the unreleased report.

The German airline Deutsche BA will stop flying between Frankfurt and Paris on March 25. A spokesman in Frankfurt said that several weeks after the airline began its service last April, two competitors, Lufthansa AG and Air France, increased the frequency of their flights on the same route. Deutsche BA is 49 percent owned by British Airways. (Bloomberg)

KLM Royal Dutch Airlines will increase its intercontinental flights this summer. The airline said it would operate 6,350 intercontinental flights in its summer schedule, which lasts from March 26 to Oct. 26, up from the previous summer. Starting March 27, KLM will fly to Memphis, Tennessee. (Bloomberg)

The British cross-Channel ferry company Meridian has been bought out and will hire all-British crews to replace its Polish workers, said the company's director-general, Paul Desgris.

The moves follow demands by French seamen's unions that the two Bahamas-registered ferries that travel between England and France employ crews from the European Union.

Mr. Desgris did not name the buyer, but said the deal was struck overnight Tuesday. The British crews would take over in May, he added. (AFP)

Fiji's tourism earnings jumped 15.4 percent in 1994, the Bureau of Statistics said Wednesday.

The bureau attributed the rise to the record number of people who visited Fiji in 1994. The number of tourists jumped 10.9 percent, to 318,674. (Reuter)

Competing Visions Of Algeria Society Rip Nation Apart

Military Chiefs Vow Mosques Will Never Direct State Policy

By Nora Boustanty
Washington Post Service

Front and Front for Socialist Forces should have been allowed to continue. Others argue that the Islamic Front should never have been legalized and given the taste of power.

The Armed Islamic Group and other militant splinter groups have drawn social battle lines in an attempt to dislodge a government that has excluded them from participation. Any one perceived as linked in any way to the state, mainly the security forces, is sanctioned by these groups as a target for terror.

In all, 3,000 members of the security forces have been killed since the crisis began, the interior minister said.

Leading intellectuals, filmmakers, singers, journalists and university professors also are being targeted and killed "to publicize the cause," an Algerian said. "It is to scare us and to force us to choose."

Ashen-faced and unshaven, Mr. Qassem trembled at the sight of the destruction around him last Friday morning in a residential compound housing the families of policemen mobilized to combat terrorism.

The explosion wounded 63 people, the latest spasm in the violence that has consumed Algeria in the three years since the government canceled elections that Islamic political groups seemed set to win.

Two incompatible plans for Algerian society are rippling this nation apart, but the army-backed leadership has vowed that Algeria will never resemble Iran or Afghanistan and that mosques will never dictate government policy.

Interior Minister Abderrahmane Mezziane-Cherif was categorical as he puffed on a cigar: "Never will Algeria live like Iran, Afghanistan or Sudan. We don't look like those countries, and we are geographically closer to the West. It would be like going back to the Spanish Inquisition."

Some in Uganda, however, say it is unrealistic to believe the government can balance democracy and economic development.

"If you have democracy and the people are poor, then they cannot see the direct benefits of democracy," said Razzaq Afolabi Olopae, an economist at Makerere University in Kampala. "If you try to have full democracy at this stage of development, you may bring back chaos."

"It is not the mosques who will lead the presidency," he stressed.

But exactly who leads the presidency of Liamine Zeroual, a military man not comfortable with politicians, remains a mystery.

Three cabinet ministers said in interviews that they felt there was no trust among the population in the current state leadership.

In Mr. Mezziane-Cherif's view, Algeria is doing the dirty work of other Arab and European countries who also are threatened by terrorism.

The stability of Algeria, flanked by Tunisia and Morocco, has become a worry for European nations on the other side of the Mediterranean. France has 800,000 Algerians and 3 million French citizens of Algerian origin on its soil and sees its destiny linked to that of its former North African colony.

On the surface, the conflict appears simple. What began as a political crisis three years ago with the annulment of elections by the government and the official disbanding of the Islamic Salvation Front, however, has taken on complex cultural and socioeconomic dimensions.

This country of 26 million, in which national identity has been in ferment since it won independence in 1962 after 130 years of French rule, is still in the stage of awkward transition from 30 years of one-party rule to a multiparty system.

An interrupted democratic process, begun when a new constitution in 1989 authorized political parties, appears doomed as the security situation deteriorates.

One segment of the population argues that the outcome of elections that gave the Islamic militants an edge over the traditional National Liberation

Front.

"I would gladly approve a European initiative that would prevent a disaster by allowing talks between Algerians of all opinions," he said.

"But, under current circumstances, it is difficult to consider any solution other than rhetorical."

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THE AMERICAS

POLITICAL NOTES

Republicans Face Hard Choices

WASHINGTON — The House Ways and Means Committee has approved the Republicans' tax-cut bill, a cornerstone of their "Contract With America" that would lower taxes by almost \$200 billion over the next five years.

But the action was tempered by the first signs of trouble in the Republicans' promise to compensate for the tax cuts by cutting spending.

Party leaders had to concede that they were hard-pressed to win support for even a first, modest round of spending reductions.

Republicans have asserted that they will pay for the tax cuts with equivalent spending reductions so that the deficit will not be worsened, but they have never specified how they will do so.

Opposition to the spending cuts began to gel as lawmakers realized how their own districts would be affected. (NYT)



Greg Ghee/The Associated Press

President Bill Clinton waving a "spork" — half spoon, half fork — which, he jokingly told journalists, was his solution to the controversial school-lunch issue.

Thrifty Clinton Unveils Innovation

WASHINGTON — President Bill Clinton has some novel ideas for cutting the government bureaucracy, like putting national holidays up for corporate sponsorship.

With tongue firmly in cheek, Mr. Clinton peeled off his suggestions at the annual dinner of Washington's Radio and Television Correspondents Association.

It all began, he said, as he and Vice President Al Gore spent a Saturday afternoon brainstorming on how to shrink government and save money.

The president waved in the air a white plastic spoon with fork tines attached.

That, he said, represented his and Mr. Gore's best idea for compromise on the school-lunch program, which the Republican majority in Congress contends is wastefully administered.

"This is a spork," the president said.

"This is a symbol of my administration," he continued.

"No more false choices between right utensil and left utensil."

"This is not an ideological choice."

"The is a big, new idea — the spork." (AP)

Senate Seeks a Milder Ban on Rules

WASHINGTON — Senate Republicans say they may give up on trying to pass legislation to impose a moratorium on new federal regulations.

Instead, they may seek to pass an alternative that would give Congress 45 days to veto any new rules.

"We're looking at other proposals," said the Government Affairs Committee chairman, William V. Roth Jr., Republican of Delaware, whose panel only last week approved the moratorium by a 6-to-5, party-line vote.

The regulatory moratorium was the second major proposal of the House Republicans' "Contract with America" to undergo emergency legislative surgery in the Senate in less than a week, underscoring the difficulty that House-approved initiatives are having in the more cautious and skeptical Senate.

The other proposal — involving "line-item veto" authority for the president to cut specific items from spending bills — appeared to be moving toward a partial resolution, although it remained a long way from passage. (WP)

Quote/Unquote

Representative Jim McDermott, Democrat of Washington, on the strategy of Democrats on the House Ways and Means Committee to drop nearly 100 amendments they had planned to offer in an effort to slow the Republican tax bill:

"It wouldn't make any difference if we put up an amendment to have the American flag be red, white and blue with 50 stars, we couldn't pass it." (LAT)

Away From Politics

• The U.S. Judicial Conference, which sets policy for the nation's federal courts, has rejected a rule change that would have made it far easier to seal court records from public view. In other action, the conference, which is made up of top federal judges from around the nation, opened the door to an experiment allowing cameras in federal courtrooms. (WP)

• The military knew there were serious health risks of radioactive fallout from nuclear bomb testing in 1951 and, although a safer site was available, chose to explode weapons near populated areas in Nevada to get better data on where the fallout would go, according to documents uncovered by the President's Advisory Committee on Human Radiation Experiments. (NYT)

• Yale University said it would return a \$20 million gift to Lee M. Bass, a Texas financier and 1979 Yale alumnus. The announcement followed a series of articles in the Wall Street Journal capped by a scathing editorial that lambasted the Connecticut university for failing to carry out a Western civilization curriculum mandated in the 1991 donation. (LAT)

• President Bill Clinton has nominated a veteran of the Gulf War and son of a Marine Corps general to be the next commander of the Marines. The officer, Lieutenant General Charles C. Krulak, 53, would succeed General Carl E. Mundy. (NYT)

• California got a break from torrential rain that left behind dark, oozing mud, gushing streams, swollen reservoirs and 14 people dead. No rain was expected in Northern California until the weekend. (AP)

Mexico to Pull Back Soldiers in Chiapas

By Tim Golden
New York Times Service

leaders of the Zapatista National Liberation Army.

MEXICO CITY — Hoping to entice peasant rebels in the southern state of Chiapas to join new peace talks, the Mexican government says it will move army troops out of villages within the territory formerly controlled by the insurgents.

A spokesman for the Interior Ministry also said Tuesday that the government would formally suspend arrest warrants issued last month against six accused

Out-of-Work Politicians Find Their Roost: Talk Radio

By Sam Howe Verhovek
New York Times Service

DENVER — Last year, nearly a dozen talk-radio hosts from around the country tried to jump from their studios to spots in Congress, most unsuccessfully. But for former politicians trying to vault to the other side of the microphone, the trip seems to be much easier.

Gary Hart, the former U.S. senator from Colorado, has just started "Heartland," a weekly program he describes as "thoughtful" talk radio.

"No screaming and shouting," he says, just serious, in-depth conversations with poets, non-fiction writers, journalists and an occasional politician.

Three other erstwhile presidential candidates — Ross Perot and former Governors Edmund G. (Jerry) Brown of California and L. Douglas Wilder of Virginia — have more traditional call-in shows, with screaming and shouting. Oliver L. North, an unsuccessful Senate candidate from Virginia last year, joined the fray this week, and former Governor Lowell P. Weicker Jr. of Connecticut is starting a program next month. Mario

M. Cuomo says he, too, will soon have a program — "not talk-talk, but thought-talk radio," promises the former New York governor.

Why are so many former politicians getting on the airwaves?

"Because they're out of work, for one," said Michael Harrison, editor of *Talkers*, a trade publication for the talk-radio industry.

"And two," he said, "because they have been into the notion that simply by being on talk radio one can easily build a power base and exert influence on public policy. Many of them are in for a big surprise, because just being on the radio doesn't guarantee those results."

To be sure, with the number of talk-format stations having quadrupled in the last decade, many politicians contend that talk radio is an increasingly important way to communicate and to inject their views into the public debate.

But others are less high-minded about it. All Talk radio, they say, is fun. It's even liberating.

"Politics and doing talk radio are almost at odds," said former Representative Ben Jones, who unsuccessfully tried to regain his congressional seat in Georgia from Newt Gingrich last

year and who is now an occasional host on WGST-AM in Atlanta.

"Politicians are so unctuous as a rule, always trying to please and not offend," Mr. Jones said. "It's fun as a former politician to be able to go on; when someone calls in and you're not worried about their vote, you can just tell them to kiss a part of the host's anatomy."

Just how successful these programs will be, in many cases, remains to be seen. Mr. Hart and Mr. Wilder, for instance, are broadcast only from stations in their home states for now, although their programs' producers hope to syndicate them nationally later.

Equally compelling is the question of whether the slower-paced format advocated by people like Mr. Hart and Mr. Cuomo can succeed.

"My approach requires a paragraph and not a slogan," said Mr. Cuomo, who had a monthly call-in program when he was governor. "If you do shibboleths, the other side has all the advantage."

Mr. Hart insisted that many people had told him they appreciated his format, which so far has not included solicitation of calls from his listeners. Having Fred holding on line three about the

deficit and June on line six demanding to talk about the death penalty is just too distracting, he said.

He also vehemently rejected suggestions from some experts that programs like his might be doomed because however good politicians are at talking, a good talk-radio host also has to know how to listen.

"If I had any genius at all in politics — and I probably didn't — it was listening," he said. "I was a great listener."

Many of the recent entrants and soon-to-be entrants into talk radio are Democrats — Mr. Brown, Mr. Cuomo, Mr. Hart, Mr. Jones and Mr. Wilder, for example — but Republicans are represented with Mr. North and Patrick J. Buchanan. Mr. Weicker and Mr. Perot are independents.

Talk radio appears to have thrived in part on anger, although that has never adequately explained why conservative-oriented programs are more successful than those from the other side of the spectrum. Liberals can get just as mad.

"I went into the Jesuit seminary 35 years ago because I thought the world was going to hell," said Mr. Brown, who later emerged to become governor of California. "It still is."

Simpson Defense Pursues Suggestion That Detective Is Racist

Compiled by Our Staff From Dispatches

LOS ANGELES — A police detective, Mark Fuhrman, testified at O. J. Simpson's trial Wednesday that he never used a racial slur against blacks in the last decade and said anybody who suggested he had was a liar.

"You say under oath that you have not addressed any black person as a nigger or spoken about black people as niggers in the past 10 years," Detective Fuhrman? asked F. Lee Bailey, one of Mr. Simpson's defense attorneys.

"Yes, they would," Mr. Fuhrman said.

"All of them?"

"All of them," the detective said.

Before the cross-examination on Wednesday, Judge Lance A. Ito heard bitter arguments between Mr. Bailey and the lead prosecutor, Marcia Clark, but

monotone that has marked his testimony.

Mr. Bailey pressed the detective, asking, "So that anyone who comes to this court and quotes you as using that word in dealing with African-Americans would be a liar, would you not, Detective Fuhrman?"

"Yes, they would," Mr. Fuhrman said.

"All of them?"

"All of them," the detective said.

Mr. Fuhrman's cross-examination of Mr. Fuhrman after Ms. Clark accused Mr. Bailey of lying about his conversation with Sergeant Cordoba.

Mr. Bailey, red-faced and so mad the judge had to tell him to "control yourself, sir," had pleaded with Judge Ito to reconsider his decision. The judge refused to budge, telling Mr. Bailey, "Don't press it."

Mr. Bailey defended himself against the accusation that he had lied when he said in court Tuesday that he had spoken "Marine to Marine" with Sergeant Cordoba. In an interview broadcast Tuesday night on the

NBC News program "Dateline," the sergeant said he had never spoken with Mr. Bailey about his conversation with Sergeant Cordoba.

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Mr. Fuhrman picked up a glove at the murder scene while no one was looking, put it in a small plastic bag and then hid it in one of his socks. When Mr. Fuhrman went to the Simpson estate two miles away, he would have had the opportunity to drop the glove on a walkway behind a guesthouse and claim later that he had found it there.

Ms. Clark noted that the glove the defense wanted to use was a small glove, while the gloves found in the Simpson case were extra-large. "Size small," she said. "I guess it's Mr. Bailey's." (AP, Reuters)

Salinas Set To Travel Indefinitely

By Sam Dillon
New York Times Service

NEW YORK — Carlos Salinas de Gortari, the former president of Mexico who was said to have been forced into virtual exile over the weekend by his successor, has popped up on Manhattan's East Side, eager to dismiss that version of events.

"Can I return to Mexico?"

Mr. Salinas, 46, said in an interview. "At any moment! Yes!" He paused, then added: "But I don't have plans now to do so."

Mr. Salinas phoned The New York Times on Tuesday, and, in a subsequent interview, quibbled with the portrait that has been painted of him in Mexico, as a man virtually without a country, forced into exile by President Ernesto Zedillo, who succeeded him on Dec. 1.

Senior aides to Mr. Zedillo have given that version of events since Sunday, after Mr. Salinas boarded a private jet Friday and flew to Texas and on to New York City the same day.

Mr. Salinas had broken a rigid political taboo by quarreling publicly with his successor over who was to blame for the collapse of Mexico's currency, and had become an embarrassment after the arrest of his brother on murder charges.

In an interview in the five-story brownstone building that is the official residence of Mexico's representative to the United Nations, Mr. Salinas declined to speak for the record about his country's economic and political crises, saying he feared his comments would undermine what little stability Mr. Zedillo has been able to restore.

Because he spoke guardedly, and at times enigmatically, his current status remained a bit of a mystery. But he outlined his immediate intentions in broad strokes, saying he planned to travel indefinitely, contemplating his future role and engaging in "small private dialogues that I've been invited to."

"You could call them speeches," he said.

"I have plans to continue traveling here in the U.S. and abroad, most probably abroad," Mr. Salinas said. "My children continue in school in Mexico City, and my wife is with them."



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ASIA

Ramos Predicts Sharp Decline in Philippine Poverty

By Erik Ipsen
International Herald Tribune

LONDON — The Philippine president, Fidel V. Ramos, predicted Wednesday that the rapid growth of his country's economy would radically reduce the poverty rate by the end of his term in 1998.

"Forty-five percent of Filipinos now live below the poverty line. By the time he leaves office, Mr. Ramos said, the rate may be as low as 20 percent."

The president called his country's economic performance a vindication for Philippine-style democracy. Growth is expected to be as high as 6.5 percent this year.

"What we are trying to say is that economic growth and sustainable development is possible

under a democratic framework in the Asia-Pacific region," Mr. Ramos said in an interview. "We would be happy to transfer this technology to others who are interested."

While conceding that democracy was far from the easy course and that indeed it imposed a "short-term handicap" on efforts to achieve rapid growth, he forecast that in the long run democratic systems would win out.

Mr. Ramos contrasted Philippine democracy with the authoritarian political systems in place in much of the region and contended that there may yet be a price to be paid for those closed systems.

"Unless a political system has continuity, transparency and predictability over the long term, that country might be in trouble," he said.

He also contrasted the approach of the Philippines — from dealing with its various political and religious rebel groups to policies toward bridging the gap between rich and poor — with those of some of its neighbors.

"We have a peace process going on with our resistance that some countries don't have," Mr. Ramos said. "And we have massively addressed those of some of our neighbors."

Specifically, he cited the government's successes in breaking up cartels that had dominated the economy for decades and the placement of 10 percent of the proceeds of large-scale privatizations in various social "safety net" programs.

As for the rebels, the president noted that negotiations with Muslim groups were continuing to make progress, while the head of the

military rebel group had recently disbanded and announced his candidacy for the Senate.

The first face-to-face negotiations on another thorny issue, territorial claims by China to Mischief Reef in the South China Sea, within the Philippines' 200-mile exclusive economic zone, are set to begin on Sunday. Mr. Ramos conceded that the climate leading up to the bilateral talks was only "slightly favorable."

He called China's claims to vast stretches of the South China Sea a "regional" problem, but said he had not been disappointed over the lack of public backing from other members of the Association of Southeast Asian Nations for Manila's position. Mr. Ramos said several of those governments had expressed support privately.



The Tibet official Raldi speaking in Beijing, where he ruled out any possible referendum on China's control of Tibet.

Breaking Taboo, China to Weigh Legal Euthanasia

Agence France-Presse

BELJING — China's Parliament is to study a motion to legalize euthanasia, despite strong opposition to the practice, which goes against deep-rooted Chinese traditions.

The motion, presented by more than 30 deputies to the National People's Congress, calls for a law that would allow technically advanced hospitals in large cities to carry out euthanasia on terminally ill patients, the official Xinhua press agency said Wednesday.

The operation would require the approval of two medical experts and would only be used to alleviate the suffering of patients and their relatives, and to safeguard the dignity of life, the agency reported.

Euthanasia must be requested by the patient and must receive the permission of relatives, according to the motion submitted by congressional deputies from Beijing and Hubei and Fujian provinces.

The issue of mercy killing became a hot media topic after a 54-year-old was sentenced to three years in jail last week for having helped his wife commit suicide.

The man was cleared of murder after the discovery of a note that his wife had written absolving him of responsibility. His sentence was for abetting a suicide.

The case set off heated discussions on radio talk shows, with many callers emphasizing the traditional Chinese concept that the body is a gift from the parents and therefore cannot be destroyed at will.

"Euthanasia is likely to be regarded as betraying tradition, and may cause resentment among those who argue that a bad life is better than a happy death," said Hu Yamei, a supporter of the motion and the honorary president of the Beijing Children's Hospital.

Last year, a major hospital in Beijing declared its willingness to perform euthanasia once the practice was legalized.

Apart from the moral implications, the question of euthanasia is complicated by the lack of a specific definition in China for what constitutes death. This is especially important in the case of patients who are kept alive after their brains have ceased to function.

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The warning by the Dalai Lama, who himself has always rejected the use of force, came amid rising tension before the 30th anniversary in September of China's decision to set up the

autonomous region, 14 years after it split from China.

Unconfirmed reports have detailed numerous demonstrations and arrests of nuns and monks in recent months, while human rights groups have cited classified government documents as saying security forces are on alert amid fears of a separatist campaign to sabotage anniversary celebrations.

Mr. Raldi offered little hope

Wednesday of the possibility of any change in Beijing's policy on negotiations. He said that,

while the "the central government has always kept the door open in this regard," the Dalai Lama had "created obstacles."

The Tibetan spiritual leader,

who has been in exile in India since fleeing his homeland with many followers after a failed anti-Chinese revolt on March 1959, called last week for Tibetans to prepare for referenda.

In a statement released to mark the 36th anniversary of the uprising, he also warned that Beijing's refusal to negotiate with him could lead to violence in Tibet.

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who has been in exile in India since fleeing his homeland with many followers after a failed anti-Chinese revolt on March 1959, called last week for Tibetans to prepare for referenda.

NEW DELHI — The government vowed Wednesday to carry forward its free-market reforms, but also unveiled programs for the poor that are aimed at silencing its critics.

Ignoring shouts and jeers by opposition legislators, Finance Minister Manmohan Singh, who began the reforms four years ago, presented Parliament with the government's new budget.

It came shortly after the governing Congress (I) Party suffered a series of setbacks in elections for state legislatures.

Mr. Singh said the government would give top priority to fighting inflation. The 1.7 trillion rupee (\$35 billion) budget also contains rural development programs to reduce unemployment, build 5 million houses for the poor and guarantee minimum old-age pensions.

VOICES From Asia

President Kim Young Sam of South Korea, returning home Wednesday from a two-week tour of six European countries: "I was able to sense clearly that advanced countries in Europe regard Korea as a very important partner in the world arena."

(Reuters)

Kuniaki Niida, fund manager for Nissan Fire & Marine Asset Management, on the Japanese government bond market: "When stocks go down, bonds are happy. When stocks go up, bonds don't believe the gains are for real." (Bloomberg)

Yasuo Matsushita, the Bank of Japan governor, as the U.S. dollar bought little more than 90 yen: "The current exchange rate doesn't reflect economic situations." (Bloomberg)

Takashi Tamaki, head of the Regional Banks Association in Japan, announcing that the group had reaffirmed its pledge to invest 5.6 billion yen to bail out two nearly bankrupt credit unions at the center of a loan scandal: "We cannot disclose how the debate has proceeded, but there were no objections ultimately. There was no opposition either." (AFP)

Dole Seeks Scrutiny of Korea Deal By Senate

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — The leader of the Senate's majority Republicans, Bob Dole, has questioned the Clinton administration's decision to treat its nuclear accord with North Korea as a nonbinding political deal rather than a treaty subject to congressional approval.

Mr. Dole acted after three Republican Senate committee chairmen said in a joint letter that the accord should be considered a treaty.

Under the accord, North Korea will give up a nuclear program seen by the West as weapons-making project. In return, it will get nuclear power plants that have less capability for nuclear arms production. The deal is to be financed largely by South Korea and Japan.

"The formal treaty ratification process will enable us to undertake a detailed factual analysis to determine whether this agreement is in the national interest," the heads of the Foreign Relations, Energy and Natural Resources and Select Committee on Intelligence told Mr. Dole.

The Kansas Republican responded by demanding in a letter to Secretary of State Warren Christopher that the administration turn over internal legal memorandums about the "prospective or actual treatment" of the accord. Mr. Dole also said he wanted to know "at what point and by whom" the decision had been made not to handle the accord as a treaty.

While some Republican lawmakers who dislike the treaty have said they resent not having a chance to reject it, others appear to relish the fact they can criticize the accord without being blamed for torpedoing it.

Robert L. Gallucci, the ambassador-at-large who signed the accord for the United States, has said that Congress can approve or disapprove the accord when it votes on annual administration requests for an estimated \$20 million to carry out the deal.

Even Fellow Asians Attack Courts in Singapore

By Philip Shonan
New York Times Service

MANILA — The government of Singapore, which has tried to portray the debate over its draconian legal system as a clash between Asian and Western values, now finds its courts under attack by fellow Asians who are campaigning to prevent the execution of a Philippine woman later this week.

Leading Philippine politicians,

human rights groups and church leaders are demanding that Singapore stay the execution of Flor Contemplacion, a Philippine maid who is scheduled to be hanged on Friday for the deaths of another maid and a 4-year-old Singaporean boy in 1991.

President Fidel V. Ramos has joined in the appeals, asking that Singaporean prosecutors reopen the case because of new testimony suggesting that Mrs. Contemplacion was framed, and that the other Philippine maid was actually killed by her vengeful Singaporean employer after the boy had accidentally drowned.

The testimony is coming from a third maid, Emilia Frenilla, who has since returned home to the Philippines. Mrs. Frenilla has said that the boy drowned in a bathtub after suf-

fering an epileptic fit, and that the boy's outraged father then killed the maid, Delta Maga, who was supposed to be caring for the child.

According to her testimony, Mrs. Contemplacion has come to symbolize the plight of millions of Filipinos who are forced by the poverty of their homeland to work abroad, most of them as household servants or construction workers elsewhere in Asia or in the Middle East.

"Every new revelation in the Contemplacion case seems to point at a frame-up and a miscarriage of justice," the Philippine Daily Inquirer said in an editorial this week. "It's no longer Singapore's goodwill and compassion that are being put to a test here. What's on trial is its system of justice."

The Singaporean Embassy in Manila, which has been the target this week of telephoned bomb threats and of several protests by supporters of Mrs. Contemplacion, did not respond to written questions about the case. In turning down earlier appeals for clemency, Singapore has said that she received a fair trial.

Mrs. Contemplacion, 42, worked as a maid in Singapore to support her unemployed husband and their four children

back in the Philippines. The children, who had not seen their mother in four years, were allowed to travel to Singapore this month for a final reunion.

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One Last Voyage for Asia's Refugees**UN Wants Indochinese Still in Camps to Return Home**

Agence France-Presse

GENEVA — Thirty countries are expected to rule here Thursday that 60,000 Vietnamese and Laotians living in Asian refugee camps no longer qualify for international aid and should return home.

The refugees, in Hong Kong, Indonesia, Thailand and elsewhere, are the remnants of the more than 1.2 million people who fled Communist Indochina since 1975.

Most of those who survived were given asylum in Western countries, including Australia, Britain, Canada, France, New Zealand and the United States after passing through the refugee camps.

Those who are left, usually the more recent arrivals, are classified as "economic migrants" seeking a better material life overseas and they are not

considered to be political refugees.

The United Nations High Commissioner for Refugees said that only 5.5 percent of the 393,000 people who left Vietnam since 1975, when the nation was reunified, are still in the Asian "first asylum" countries.

Of the 360,000 who fled Laos, 3.2 percent remain in first asylum countries, it added.

Sylvana Foa of the UN refugee agency said that the meeting Thursday would be to see how it would be possible to wrap up the aid program this year.

"We can't continue this program for ever," she said.

"We have to tell those people that it is time to go home, and we need the clout of all the countries to speak with one voice."

Her colleague, Ruth Marshall, said international donors were no longer interested in providing aid.

She noted that 70,000 Vietnamese and 21,000 Laotians had returned home, with a small allowance where they had benefited from resettlement programs financed principally by the European Union.

While some Republican lawmakers who dislike the treaty have said they resent not having a chance to reject it, others appear to relish the fact they can criticize the accord without being blamed for torpedoing it.

Robert L. Gallucci, the ambassador-at-large who signed the accord for the United States, has said that Congress can approve or disapprove the accord when it votes on annual administration requests for an estimated \$20 million to carry out the deal.

ESCAPES & GUIDES**INTERNATIONAL CLASSIFIED**

(Continued From Page 13)

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EUROPE

Russian Budget Clears Way for IMF Loan

Reuters
MOSCOW — Russia's Parliament approved the 1995 budget on Wednesday, and Finance Minister Vladimir G. Panskov said the decision meant Russia had moved on to a "civilized path of development."

The State Duma, the lower house of Parliament, approved the draft budget, 289 to 81 with no abstentions, on its fourth and final reading, clearing another hurdle to a \$6.4 billion standby loan from the International Monetary Fund.

"Passing the budget in the Duma means the country has moved onto a civilized

path of development," Mr. Panskov said after the vote.

The budget envisages expenditure of 248.34 trillion rubles (\$53 billion) and income of 175.16 trillion rubles for a deficit of 73.18 trillion rubles.

Mr. Panskov said the deficit, originally put at 7.8 percent of gross domestic product, would in fact be 5.6 percent, as GDP would be greater than first calculated.

Passing, and sticking to, a tight 1995 budget has been a key condition for Moscow's winning the standby loan, which will be used to plug the deficit.

The IMF's managing director, Michel

Candessus, in Moscow last week to sign an agreement on the loan, gave his blessing to the government's economic program.

He said he was sure the IMF board would give final approval for the loan in early April.

First Deputy Prime Minister Anatoli B. Chubais said the key task now was ensuring the budget was met.

The government and central bank said Tuesday that they would seek to cut monthly inflation to one percent by the second half of the year. February's rate was 11 percent.

BRIEFLY EUROPE



President Fidel Castro of Cuba sightseeing in Paris on Wednesday. Charles Platiau/Reuters

Castro Accedes on Rights

PARIS (Reuters) — President Fidel Castro of Cuba, rejecting accusations that he sanctions violent repression in Cuba, on Wednesday invited a French human-rights group to visit Cuba to investigate conditions for political prisoners.

But Mr. Castro, 68, on his first visit to France, turned down a plea by President François Mitterrand's wife, Danielle, to abolish the death penalty, saying the Caribbean island faced too many threats, including a "criminal and unjust" U.S. embargo.

At their meeting, Mrs. Mitterrand gave Mr. Castro a list of 43 political detainees in Cuba. "I have promised to examine the cases," Mr. Castro said, adding that a human-rights delegation was welcome to visit and examine the prisoners' "situation" as soon as possible.

Council Hears Rushdie

LONDON (Reuters) — The British writer Salman Rushdie came out of hiding on Wednesday to address a meeting of Parliament members from the Council of Europe.

Mr. Rushdie, who has been living for six years under an Iranian death sentence imposed for blasphemy against Islam in his novel "The Satanic Verses," appeared at a meeting of the 34-nation political group flanked by officers from an elite British police squad.

The council, meeting in London for two days, was due to adopt a resolution expressing deep concern over the death edict and condemning the incitation to murder constituted by the decree and the huge reward offered to Muslims to carry it out.

Lockerbie Probe Urged

STRASBOURG (Reuters) — Relatives of Britons killed in the 1988 bombing of a Pan Am airliner over Scotland asked the European Commission on Wednesday to investigate the disaster, especially the question of airport security.

"Six years after the offense no one has been tried for the bombing," says a statement explaining a petition presented to the European Parliament by U.K. Families Flight 103, named after the London-to-New York flight.

The petition asks the European Union assembly to push the commission to make a

Slovenia-EU Talks Begin

BRUSSELS (AP) — Slovenia on Wednesday became the first former Yugoslav republic to open talks with the European Union for an accord that should open the way to eventual EU membership.

Foreign Minister Zoran Thaler of Slovenia began talks at EU headquarters 10 days after Italy dropped its veto on negotiations with its neighbor. Mr. Thaler said the trade and cooperation accord could be concluded before June, placing Slovenia at the front of a line of nations waiting to join the EU.

Calendar

European Union events, Thursday, March 16:

BRUSSELS: Meeting between the EU commissioners, Sir Leon Brittan, in charge of external trade and relations with industrialized countries, Karel van Miert, in charge of competition, and Vladimir Dlouhy, the Czech Republic's industry minister.

BRUSSELS: Sir Leon meets with Francis Dohin, president of the European group for the promotion of international trade.

EPINAL, France: Franz Fischer, the EU agriculture commissioner, makes a speech at the French National Federation of Farmers' Unions.

STRASBOURG: The European Commission will make a declaration on recent monetary problems during a meeting of the European Parliament. The Council and the commission will discuss the nuclear power station in Mochovce, Slovakia.

BRUSSELS: Jacques Santer, president of the European Commission, meets Alwinde de Vos Van Steenwijk, president of the international movement ATD Fourth World.

GENEVA: Anita Grdin, commissioner for immigration and judicial affairs, will visit the UN High Commissioner for Refugees.

Sources: Agence Europe, AFP.

Thousands Go Hungry In Bihac

The Associated Press

SARAJEVO, Bosnia-Herzegovina — Refusal of Serbs and their allies to let the United Nations feed tens of thousands of hungry people in the Bihac pocket is causing widespread hunger and malnutrition, aid officials said Wednesday.

Alekska Lisinska, a UN aid agency spokeswoman, said supplies brought in by the last food convoy, on Feb. 28, had been distributed to the most vulnerable of 200,000 needy in the enclave, the site of stubborn fighting between government troops, Bosnian Serbs and their Croatian Serbian and renegade Muslim allies.

The UN World Food Program, based in Rome, said only 5,000 of the 200,000 needy in the enclave received regular meals from public kitchens, and patients got only one meal a day.

In Sarajevo, Nina Winqvist, a spokeswoman for the International Committee of the Red Cross, said the blockage of convoys by Croatian Serbs and renegade Muslims, who help Bosnian Serbs in their battle against government troops, was also hampering aid in the area.

President Franjo Tudjman of Croatia, meanwhile, left for Washington for meetings with U.S. and UN leaders on the first anniversary of a U.S.-brokered agreement, setting up a federation of Bosnian Croats and Muslims with close ties to Croatia.

Record Number Of Journalists Killed in 1994

The Associated Press

UNITED NATIONS, New York — A record number of reporters worldwide were killed or jailed for their work last year, including 19 killed in Algeria and 74 imprisoned by Turkey, a journalism group says.

The 72 reporters killed included 14 who were killed in war zones in Bosnia, Somalia, Angola, Chechnya and Rwanda, the Committee to Protect Journalists said in a report Wednesday.

Fifteen more reporters were victims of ethnic massacres in Rwanda. In 1993, 64 reporters were killed around the world.

A total of 173 journalists were jailed worldwide last year, the report said.

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**Israel Holds 2 in Probe of Stolen French Art Works**

Reuters

JERUSALEM — Israeli police are trying to determine whether canvases recovered in Israel are masterpieces by Van Gogh, Picasso and Degas stolen in France last month, a police spokesman said Wednesday.

A 53-year-old tourist from France and a Tel Aviv art dealer were in police custody

in the case, and 14 paintings were recovered, the spokesman said.

Acting on a tip, he said, police officers stopped a car in Jerusalem on Saturday and found six works of art in it.

A house rented by the Frenchman in the car was searched, and eight more canvases were found, including works apparently by Van Gogh, Picasso, and Degas, the spokesman said.

The works, which were Israeli experts were trying to authenticate, appeared to match those stolen in an armed robbery from a Paris art dealer in February, he said.

"When the pictures were found in his flat," the spokesman said, "the tourist said he bought them from a peddler in Paris for several thousand dollars, and brought them to Israel for sale."

EUROPEAN TOPICS**French Slang Likely To Have Last Word**

Not so very long ago, French bakers or fish sellers had their own colorful jargon, and the people of Courbevoie, a Paris suburb, had an accent noticeably different from that of neighboring Puteaux.

But today's standardized, homogenized French, its influence spread by the broadcast media, will not have "le dernier mot," insists Jean-Pierre Goudailler, a Sorbonne linguistics professor.

Staff members at his Center for Argot Research have found, for example, that butchers in Paris' 13th arrondissement still use a type of argot called "louchetem" formed by replacing the first

letter of a word with an "i," moving the first letter to the end and adding a suffix. And Parisian louchetem is different from that of Lyon.

Especially vital are the argots of the young and those on society's fringes (the hoodlums of Pigalle had their own argot before World War II), reports the daily *Le Figaro*. Prestigious schools like the Ecole Polytechnique and the Saint-Cyr military academy have their versions, which each new cadet is expected to learn.

The backwards language known as *verlan* (itself a backwards version of *Parlers*, the word for backwards), which originated in underworld circles in the 16th century, has made a big comeback among the young. But now Arabic, African and Gypsy words are "verlanized" as well. Popular rap singers like MC Solar (whose contribution to the language was recognized by no less than Culture Minister Jacques Toubon, a defender

of French linguistic purity) have played a big role.

Change is so rapid it can be hard to follow. Thus *flic*, slang for "cop," was verlanized to *keuf*, shortened to *keuf* (not to be confused with *meuf*, the word for woman), then reverberated to *jeukeu*. If in doubt, ask a teenager.

Around Europe

Prostitution could be outlawed in Sweden, that pioneer of sexual freedom, if recommendations of a Health Ministry commission are adopted. The panel, citing the danger of AIDS, the links between prostitution and crime, and the potential for the exploitation of foreigners and young people in the sex trade, has called for fines or prison sentences of up to six months for prostitutes and their clients. "There are two trends in Europe," said the commission secretary, Lili Orriv. "The first says it's a human right to be a prostitute, the second

says it's a human right not to be abused."

The scene inside Knf Kafe, a Copenhagen discotheque, can be disconcerting to the uninitiated. Young people dance or leap about, in unrelated rhythms, to the sound of silence. No one talks, but everyone seems to be having a great time. Welcome to a new approach to nightclubs: the Walkman disco.

"Yes, it can be impressive," says the club's manager, Jesper Nymark, "to stand at the bar and watch the people on the dance floor. Some are listening to techno, some to rock, others clearly have a romantic tape in their Walkman."

There are advantages for club owners, of course. No expensive sound system is required. And neighbors are unlikely to complain about the noise.

Brian Knowlton

THURSDAY, MARCH 16, 1995

EDITORIALS/OPIION

Herald Tribune
INTERNATIONAL
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST**Ideas Follow Trade**

In China's up-and-down relations with the United States, the mood and direction currently seem to be up. Toward the end of last year things got very bleak and scratchy with the American refusal to let China set its own terms for joining the new World Trade Organization. Early this year, for a time, they got worse with the quarrel over China's failure to enforce its own laws against copyright piracy. But then the two governments came to an agreement — at least in principle — over the piracy. Now the administration's trade negotiator, Mickey Kantor, has just spent an unexpectedly productive four days in Beijing. Out of these complex and abrasive trade talks, policies are emerging that can serve both countries well.

Chinese attitudes toward the United States are deeply ambivalent. Like many other countries, China wants access to American markets and American technology. Like many others, it resents the constant American nudging on human rights. But in the case of China, the Americans are making an unusually vigorous effort to introduce a truly radical and substantive idea — the rule of law.

Frequently the trouble lies not in the laws but in the widespread flouting of them. Mr. Kantor went to China with a delegation of specialists from the U.S.

Customs Service, the FBI and the Justice and Commerce departments to offer training in the enforcement of intellectual property laws. The big violators tend to be companies with well-greased political connections, but Mr. Kantor ignored that point. He merely told his Chinese listeners repeatedly that they will never have a software industry of their own and the technical strength that it represents if they cannot provide reliable protection to copyright holders, domestic and foreign alike.

The Chinese debate whether respect for law and equal justice would not be a hindrance to them in their phenomenal economic growth. Mr. Kantor warned that, on the contrary, ignoring the law would profoundly threaten their progress.

On this central question, China is likely to keep moving back and forth for many years. But if the idea of orderly law enforcement takes hold in purely commercial areas — such as curbing theft of copyrighted movies, music and computer programs — it may spread. It may begin to affect Chinese attitudes in two other subjects of great importance to the rest of the world, arms control and human rights. The reasons for encouraging trade go well beyond economics. Ideas follow the trade routes.

— THE WASHINGTON POST.

How to Help Pakistan

Violence is running out of control in Pakistan's port city of Karachi. More than 1,000 Pakistani lives have been lost in a year of disorder. Last week two American consular employees were killed and a third wounded when their van was ambushed on the city's main thoroughfare. There are domestic causes behind the unrest, like ethnic and religious conflicts, political rivalries and drug-turf battles. But Pakistan's troubled relations with the United States are also a factor.

Less than a decade ago, Washington saw Pakistan as a front-line Cold War ally and staging ground for U.S. aid to the anti-Communist Afghan resistance. Since Soviet troops withdrew from Kabul, relations have cooled considerably. Many Pakistanis feel that Washington has left them to cope with toxic consequences of the Afghan war, including a flood of easily obtained assault weapons, increased drug trafficking and battle-hardened cadres of unemployed Islamic warriors.

Early next month Prime Minister Benazir Bhutto will come to Washington in an effort to shore up relations. Both sides have an interest in reducing tensions, but the Clinton administration must not do so at the expense of efforts to prevent the spread of nuclear weapons.

Miss Bhutto, educated at Radcliffe and Oxford, presents herself as a market-opening reformer and a secular bulwark against Islamic radicalism. But her per-

formance has been more ambiguous. Mindful of political vulnerabilities, she has steered scarce resources toward military procurement and ignored religious intolerance and persecution. She has also done little to curb the corruption in Pakistan's political parties, including her own.

The Clinton administration has recently been advertising its willingness to reconsider the virtual cutoff of American aid imposed in 1990 to punish Pakistan's effort to develop nuclear weapons. Miss Bhutto, under continuous pressure at home from military leaders, would dearly like to take home some concessions on this issue. It is in America's interest to strengthen her civilian, secular government, but she must provide credible curbs on Pakistan's nuclear program in exchange for any relief.

Washington also needs to press for more responsible Pakistani behavior in the dispute with India over Kashmir. India's repressive policies have been disastrous, but Pakistani support for cross-border terrorism has made matters worse and threatens international peace.

Finally, the Clinton administration might remind Miss Bhutto that her government can help reinforce democratic rule by paying more attention to the economic needs, security fears and democratic aspirations of the majority of Pakistanis who have twice elected her to high office.

— THE NEW YORK TIMES.

Hold the Champagne

A U.S. diplomatic initiative has averred a wider war at least for a while in the old Yugoslavia, but hold the Champagne. The initiative's success may finally rest on military choices that the United States remains extremely reluctant to confront.

Croatia had threatened to kick out United Nations peacekeepers situated between it and the separatist Croatian Serb enclave of Krajina. Serb proper might then have come in to rescue its kin. Muslim Bosnia might then have used Serbia's distraction to attack a similarly defiant Bosnian Serb enclave. Compared with the Serbs, Croats and Bosniacs, although hardly innocent, are the lesser troublemakers and the larger victims in the Yugoslav wars. They have a right to fight to reverse their losses, even though others may think that they are misguided in doing so. But if others are to tell them not to resist, then those others must have a better or an alternate idea.

In this instance, an idea comes from American diplomacy. Washington has persuaded Croatia to retain a UN presence, although it is meant to be a different presence, one that does not alienate Croatia from its sovereign territory in Krajina. Aware that it is setting up a new mission (halting Serbian gun-running)

— THE WASHINGTON POST.

Other Comment**Another Standard for Taiwan**

Days after Secretary of State Warren Christopher confirmed that President Lee Teng-hui [of Taiwan] would not be allowed to attend a reunion at his alma mater, Cornell University, the Clinton administration announced that the leader of the Irish Republican Army's political wing, Gerry Adams, had been invited to the White House. Mr. Adams will be al-

lowed to use his time in America to raise money — money Britain says goes to buy weapons. Mr. Lee is the leader of a vibrant democracy with close U.S. ties. Surely a White House that can find room for an IRA fund-raiser ought to be able to come up with a formula to allow a democratically elected leader to attend a reunion of his American university.

— For *Eastern Economic Review* (Hong Kong).

If Iran Is Involved, Mind the Business of Big Business

By A. M. Rosenthal

NEW YORK — Oh dear, what to do. How can we get that Conoco company to cancel its billion-dollar deal to develop oil fields for Iran?

For a couple of weeks, Washington fretted with that.

Appeal to Conoco patriotism! That was one idea. Tell the Conoco people that the deal worried the president and his secretary of state sick, because it would blow a huge hole in the containment policy. Both say that containment, mostly of trade and arms, is necessary to keep some rein on Iranian terrorism, militarism and its political and religious warfare against the United States.

But Conoco had heard that stuff and was not deeply moved. It knew that

And so we were left with the predictable, inevitable result of appeasement through trade.

Americans thought U.S. oil trade with Iran had been embargoed for 15 years. But Conoco said look, right here is a provision that foreign subsidiaries of American companies have taken such advantage of that "loophole" that they have become Iran's biggest oil customer. They are not likely to jawbone themselves very hard.

The members of the Bronfman family on the Du Pont board did listen and prepared to fight the deal. But there was no guarantee that they would win, or that it would not pop up next week in another American company — in fact, there was a likelihood it would.

One thing was left: government action, so painfully long overdue, to plug the Iranian oil loophole. The loophole was left in deliberately for 15 years, to allow U.S. oil to do business with Iran despite

Well, how about this: What a lovely

so-called embargo. It was a scandal, under Bill Clinton as under George Bush.

The American alibi has been that if you don't do business with Iran and other tyrannies, why, your best friends will gobble the trade up — Germany, Japan, France, Britain, all of them.

But the alibi simply encourages allies to gobble faster. If the United States will not put its trade profits where its democracy mouth is, why should they?

We are left with the predictable, inevitable result of appeasement through trade, whether with Nazis, Communists or religious fanatics.

Iran is arming, and subsidizing terrorist; it never stopped either. The U.S. Joint Chiefs are openly worried about Iran's naval and missile expansion in the Gulf, aided by arms sales from Russia and China. Tank-supported Revolutionary Guards are being reinforced on Gulf islands. That will strengthen Iranian control and blackmail in the commercially and strategically important Strait of Hormuz.

And here comes Russia, selling nuclear plants to Iran: the plutonium by-product could be used for nuclear weapons. But if America is good enough to provide Iran with oil dollars to buy nuclear plants, why shouldn't the desperate Russians go get those dollars?

President Clinton finally said he would issue an executive order barring U.S. companies from developing oil in Iran.

Good first step, but until we see the fine print we do not know whether it would permit the American oil subsidiaries to keep buying all the Iranian oil they want, as long as it was not landed in America.

And executive orders have a drawback. What the president gave them is cancellable. In 1993, Democrats in Congress wanted to present legislation raising tariffs on Communist China unless it eased its massive human rights violations. Mr. Clinton said here, let me do that by executive order. Congress stepped aside. So one day in 1994 Mr. Clinton canceled that order, like a stamp.

Senator Alfonse D'Amato and Representative Peter King, New York Republicans, have introduced legislation for a total U.S. embargo on Iranian trade. Mr. D'Amato, who is showing more foreign policy energy than many senators who built their reputations in that field, holds hearings this week. That may have spurred the president to the executive order.

However, the presidential order is written. Congress should give a full embargo the non-negotiable stability of legislation. Congressional action will at last give Washington some ethical pressure against deals with Iran by American allies.

And, maybe most important of all, it may reduce American public cynicism about politics, government and business as role models fit for young or old.

The New York Times

Cold Spell: Ulster and the Balkans Come Between Clinton and Major

By Jim Hoagland

WASHINGTON — I bit into a pizza appetizer just as President Bill Clinton turned from conversation with Senator Edward Kennedy about Northern Ireland and asked, "Do you think we're right on this?"

"Mostly right," I responded between bits of oregano and cheese, and more out of instinct than heavy analysis. Now what did I mean by that, I wondered, as the conversation at the weekend cocktail party sensibly turned to the latest mystery novels on the president's reading list.

A day later, John Major helped sort out my instinctively hedged response. Defending his decision to visit Yasser Arafat in Gaza, the British prime minister inadvertently cast a favorable light on Mr. Clinton's efforts to get the Irish Republican Army to agree to an end to Ulster's long civil war.

Back to Messrs. Major and Arafat in a moment. The bigger picture is this: Relations between the American president and the British prime minister are now at their lowest point since Dwight Eisenhower's humiliation of the

British in the 1956 Suez crisis. Mr. Major in an even more precarious position. His Conservatives, deeply divided over Britain's place in the European Union, trail far behind Tony Blair's Labor Party in public opinion polls. If there is glory to be won, that is all he can hope for.

That is where my reservations — "my mostly" — kick in. Britain is too important an ally to be given the back of the hand in such an open way. There must have been a way for Mr. Clinton to involve himself in the Irish question more diplomatically, without bruising Mr. Major, I keep thinking.

But this is a political intervention, not a diplomatic one. The State Department's repeated pleas that Mr. Adams not be allowed into the United States (much less into the White House) have been consistently brushed aside by the president's political advisers.

The president is clearly playing to the Irish-American community by progressively lifting restrictions on U.S. official contact with Sinn Fein, the IRA's political

wing. Moreover, credit for helping bring off a peace settlement would provide much needed leverage for Mr. Clinton with the American electorate at large.

Mr. Major is in an even more precarious position. His Conservatives, deeply divided over Britain's place in the European Union, trail far behind Tony Blair's Labor Party in public opinion polls. If there is glory to be won, that is all he can hope for.

Mr. Major scored the political equivalent of soccer's "own goal" (giving your opponents a point by kicking the ball into your own net) by vaunting Mr. Arafat over Mr. Adams without the goods.

For Mr. Adams and Mr. Arafat, promises are weapons as much as their bullets were before. It is not necessary, or even wise, to take their declarations at face value. Only results matter.

Mr. Clinton follows a high-risk Irish strategy by paying in advance. He gives Mr. Adams the enormous carrots of recognition and waits for the IRA to deliver. So far it has paid off, making the British government look like the hesitant, foot-dragging party. That is not an accurate image, but the adminis-

tration's rough treatment of Mr. Major has helped it take root.

When Douglas Hurd, Mr. Major's sole foreign secretary, was in Washington a few weeks ago, he told friends that the "poison" injected in U.S.-European relations by disagreements over Bosnia seemed to have been drained. But that judgment was premature. In recent weeks, as it has disregarded Mr. Major on Ireland, the administration has also moved to make Croatia the centerpiece of its Balkans diplomacy.

The Irish and Croatian initiatives reflect a conscious decision by the White House to downgrade the "special relationship" between Washington and London. The United States seeks to build a new U.S. special partnership with Germany, Croatia's strongest defender in Europe.

Mr. Clinton plays the optimist on Ireland. Mr. Major urges caution and restraint. In the end, "mostly" won't count. The IRA will prove one of them right and one wrong, and help the re-election chances of the former.

The Washington Post

Mexico: Feeling Powerless in the First Postmodern Economic Crisis

By Thomas L. Friedman

MEXICO CITY — Ricardo Martinez, a 60-year-old peasant living in a tumbledown shack on the edge of Mexico City, says he has never heard of Wall Street and doesn't know anything about dollar-linked peso bonds, George Soros or Merrill Lynch's emerging markets fund.

Peeled cactus from her garden, she insists that none of those strange-sounding names could possibly explain what she does know, which is that she can't afford to buy meat anymore, and that "Mexico is now different — now we are poor."

Mrs. Martinez is right. Mexico today is different, but it is because Mexico has been hit with a financial neutron bomb, launched by the very forces that Mrs. Martinez has never heard of.

That is why the Mexican Melt-

down of 1995 is the first postmodern economic crisis. Ricardo

Martinez meets Merrill Lynch.

What interests me most, though, are the political implications of a world in which nations increasingly feel inferior to markets. Mexican officials speak like defeated generals.

"Give us a truce," said Finance Minister Guillermo Ortiz, addressing the global markets. "You have pounded us to death. Stop sending us short."

Asked what it is like to be caught in the maw of the global markets, he gestures to the three computer screens next to his desk that track the peso: "I have days when I feel absolutely powerless. Sometimes I have to go work in the other room so that I can concentrate away from the screens."

A summed official of Mexico's central bank asked me about the

global markets: "Why were they so mad? Why the vengeance? Because, I told him, hell hath no fury like a bond trader with a cell phone who just saw his investment devolved."

Enrique del Val Blanco, an official of Mexico's Human Services Ministry, sounded like a man living through "Invasion of the Body Snatchers."

"Everyone feels their life is determined by someone outside, and everyone wants to know who is this person? Who is this force? We thought that we were on the path to the First World and suddenly something went wrong. One minute the World Bank and IMF were saying Mexico was the best example. Now we are the worst example. What did we do? We are losing control. If we don't find another type of development, we are finished. We surrender."

At the presidential palace, Ernesto Zedillo sits at a table in his office. Tchaikovsky's "1812 Overture" is playing in the background. The music is meant to fortify him for another duel with the bond market. Unlike Mrs. Martinez, President Zedillo has met Merrill Lynch.

"The speed at which international markets have evolved over the last 25 years has been much faster than the capacity of governments and international organizations to cope," he said.

"The boom was built very quickly, and nobody was looking at it. Certainly we were not. We have to start thinking about a global arrangement that would prevent the sort of things we are now enduring."

The New York Times

Belief in the universal benevolence of free trade is a current inversion of domino theory.

By William Pfaff

acknowledged by the administration, although President Bill Clinton has already taken steps to strengthen control of the Mexican border. Mexico's new austerity guarantees to intensify the pressures behind northward migration, illegal when it cannot be legal.

The new president, Ernesto Zedillo, a product of the PRI system, is attempting to reform the party and the way it has perpetrated

itself in power. For the first time

crimes committed within the party leadership are being exposed to public view, investigated and given the promise of prosecution.

These include the murder of the party's secretary-general in September and of the party's presidential candidate last March. The brother of former President Carlos Salinas de Gortari has been arrested for allegedly ordering the former murder, and ex-President Salinas last week was himself "asked" to leave Mexico, taking refuge in the United States.

Mr. Salinas was until a few days ago the United States' nominee to become head of the new World Trade Organization.

There are, in addition, allegations of high-ranking embezzlement by party figures, and of government and party implication in the drug traffic. Most of this was known or assumed while Washington was campaigning to make

or inversion, of domino theory.

Lawrence Summers, undersecretary of the Treasury, says the guarantees to Mexico are an essential part of America's commitment to a new international era.

They are among the "modest and methods for United States engagement in global transformation," meaning "the liberalization and integration of trade around the world," to which only isolationists and the "nostalgic" could object.

The globalization official rhetoric particularly recalls the 1960s. We now have only to await the light at the end of the tunnel. It will be some time before we

OPINION/LETTERS

Leadership Is Fine but It Comes at a Price

WASHINGTON — The good news is that a solid debate about post-Cold War foreign policy is at last beginning. George Bush's new world order and Bill Clinton's enlargement policy are rapidly fading memories — deservedly so. The not-so-good news is that while the world is utterly transformed, American thinking has hardly budged. Much of it is still firmly rooted in the world of 1970.

William Safire went so far in a column in The New York Times (*IHT*, March 7) as to compliment President Bill Clinton for using the same line in a foreign policy address that Mr. Safire had penned for President Richard Nixon 25 years earlier.

Indeed, with place names appropriately changed, most of the speeches given at a recent gathering of foreign policy bulls at the Nixon Center for Peace and Freedom could have been delivered decades ago.

Rhetorically, nearly all agreed on the undiminished need for U.S. leadership. But the word is used to mask profoundly different views of America's role in the world.

Republicans see a dividing line between unilateralists and multilateralists. The latter, they say, care so much about international institutions and international opinion that they allow themselves to be led by them rather than to lead. Nonsense, say the Clintonites, the choice is false: The United States will lead multilaterally whenever it can and unilaterally when it must.

Unilateralists' world view is unabashedly take it or leave it. This school as Mr. Safire puts it, says "America should pick its spots and assert its leadership, inspiring and pressuring and expecting allies to follow." Instead of being committed to often tiresome international organizations, ad hoc coalitions can be created when needed.

The administration is closer to reality, but neither side grapples with the crucial

By Jessica Mathews

question of what it takes to exercise leadership of either sort in today's world. Does the United States have the financial means or the will to act alone on all matters of major concern to it? And can it expect allies and others to follow when it calls?

True, the United States is the world's greatest military power. But for countries that do not feel any foreseeable threat or that have no reason to expect American help, that does not mean quite the same thing as it did when U.S. strategic bombers patrolled the skies and any local conflict could become a superpower standoff.

The paradox of America's triumph in the Cold War is that it came at a heavy cost in the power that went with U.S. generalship. Germany, to take one example, would never have defied American opposition to its recognition of Croatia (the act that started the Bosnian tragedy) during the Cold War. Then, American leadership did not need to be asserted or separately earned but merely exercised. To deny the difference from today is to ask for disappointment.

The change on the economic front is just as great. Weirdly, to say now that America's goals should reflect its relatively diminished resources and willingness to spend them is to invite being labeled a despised "declinist." And yet, while in 1970 the United States was one-third of the world economy, today it is one-quarter of it. When it once cast one-quarter of World Bank votes, today it counts for 17 percent. Where the United States was once among the top providers of foreign assistance, today (on a per capita basis) it ranks almost any international initiative by being willing to pay for it, today it cannot.

No government's sovereignty is what it was in 1970. Trade, foreign investment, capital flows and information flows, all growing much faster than national economies restrict governments' ability to shape their own economies and bind them in a thickening global web of needs and interests.

For fear of being seen as weak, the Clinton administration will not talk to the public about why exercising leadership is now tougher and thereby begin a badly needed discussion of what American interests and foreign policy goals ought to be.

Republicans see no contradiction between demanding a reduced assessment of America's UN dues to reflect the country's smaller share of the world economy and leaping all over any Democrat who says that the United States is relatively less powerful than before.

We Americans are kidding ourselves. People in other countries do not need to see the once invincible dollar skidding to historic lows to know that there has been a change. They know about U.S. arrears in international institutions. They see U.S. embassies closing and shrinking. In one major Asian capital, the American ambassador has forbidden air conditioning until 11 A.M. to save a few dollars on the electricity bill. It's not the ugly American anymore, it's the sweaty one.

The United States still possesses an unparalleled package of military, economic and political power, but it is dramatically changed from what it once was. It is these differences, not the constants, that need an honest airing. A prolonged debate about unilateralism vs. multilateralism will only lead us down a blind alley.

The writer, a senior fellow at the Council on Foreign Relations, contributed this comment to *The Washington Post*.

TONY and Major

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Front Window Detective and Unesco Bugbear

By Thomas Fuller

PARIS — One sheet of glass and a few dozen meters are all that separate Bernie Dresner from Unesco headquarters in Paris. And officials at the organization should take note: Bernie is watching.

At 76, Mr. Dresner sits at the large rectangular window of his third floor apartment, keeping tabs on the UN's educational,

MEANWHILE

scientific and cultural monolith across the street. He notes when tents go up for VIPs and tracks the limousines and helicopters that shuttle the important visitors in and out.

"They brought in more plants and red carpets," he said when Fidel Castro visited Unesco on Monday. "It's just another blow for the taxpayer."

With high-powered binoculars he spots the sharpshooters who are sometimes stationed on the headquarters' roof and waves to them. They know Ber-

nie by now — he has lived there 23 years — and they wave back.

"I'm close enough so that I can see the faces of the people who get out of the cars down there," he says pointing to the street and the rows of tents set up for both Mr. Castro's visit and a March 17 meeting between ministers of the Rio Group and the European Union. "They've got portable heaters back there, blowers; they're installing an entire reception in this tent."

When the elaborate preparations become too much to bear, he fires off a letter to the editor. "It looks like a Barnum & Bailey job," he wrote the *IHT*. "The entire entrance area is covered with white tarpaulin and wooden flooring — all the way out to the curb. And it isn't done yet; 4 days' construction so far."

Mr. Dresner also phones in updates on construction projects, introducing himself with,

during the Truman and Eisenhower administrations, and has spent years looking through glass of one sort or another.

Although Mr. Dresner doesn't look like James Stewart (he is short and wears glasses), he, like Jeffries, believes he should tell others what he sees. And that can be summed up in a word: waste.

"I was at the dedication of the UN in San Francisco in 1945 and again in New York when the United Nations building had just been completed," he said, sitting in a loveseat and keeping an eye on doings outside the window. "I just feel that what's happened since then is a big nothing."

Mr. Dresner feels surrounded by waste: the caterers' trucks and their petits fours; the obsessive street cleaners who, the night before an important meeting, scrub away at the pavement below his window, even sometimes in the pouring rain; and the booming loudspeakers set up to call chauffeur-driven cars when dignitaries are ready to leave.

Undoubtedly, part of Mr. Dresner's grudge is personal. His street is blocked and the entrance to his garage shut during major ceremonies. The tents take up half of the sidewalk opposite his apartment. But Mr. Dresner is also preoccupied with the cost of it all.

"How many millions of dollars are being spent — wasted — during this one-day conference of the heads of 120 nations concerning AIDS?" he wrote to the *IHT* last year. "Would it not be far better for that money to have been devoted to scientific research?"

If he sometimes feels his watchfulness is in vain, Mr. Dresner might find a soulmate in Jeffries, who had a hard time persuading Lisa, his fiancée, played by Grace Kelly, that he had actually witnessed a crime.

"Jeff, if you could only see yourself," she says to him in exasperation. "Sitting around looking out of the window to kill time is one thing. But doing it the way you are — with binoculars and wild opinions about everything — is diseased!"

Mr. Dresner's quest might seem quixotic. But he could perhaps take heart from the fact that L. B. Jeffries solves the crime in the end.

LETTERS TO THE EDITOR

The East Timor Drama

Regarding "Making a Tardy Issue of East Timor" (Opinion, March 6) by Richard Woolcott:

Ambassador Woolcott's attempts to excuse the inexplicable with regard to East Timor fail to convince. Since 1975, Indonesia has been in illegal occupation of the former Portuguese colony in defiance of no less than 10 Security Council and General Assembly resolutions. Even Indonesian officials admit that 100,000 to 120,000 inhabitants, a quarter of the pre-1975 population, have perished.

The Australian government, which Mr. Woolcott represented as ambassador in Jakarta at the time of the invasion, has acted despicably toward East Timor. During World War II, some 60,000 Timorese died in a bloody Australian commando operation waged to prevent a Japanese assault on Australia's Northern Territory. Instead of repaying this debt of honor, Canberra has consistently connived with the Indonesian military, first in recognizing its annexation (Australia is the only Western country to have accorded de jure recognition) and then in dividing up East Timor's seabed resources (including oil

fields thought to equal three times Australia's current reserves) with Jakarta.

Receipt of stolen goods is a crime, as International Court of Justice lawyers are well aware.

Portugal's case against Australia is thus a strong one.

PETER CAREY
Oxford, England

Of Course He Forgives

Regarding "Marble Bust in the Capital" (Opinion, March 14) by William Safire:

Many Americans who watched as the Nixon-Agnew team jeered Vietnam War protesters, setting into motion the terrible alienation of America's young, and ultimately making criminals of those unwilling to die in support of a stupid and nefarious military slaughter — all the while being spurred on by the brilliant prose of one William Safire — will surely not be very surprised to read the forgiving words of that same Mr. Safire. That these two American leaders turned out to be small-time crooks was unfortunate, as they were thereby relieved of being held responsible for the finale of that dreadful debacle.

It approaches the slapstick to witness, in 1995, Republican

politicians pointing fingers for nonparticipation or else taking credit for participation in that war, still pretending that there was something honorable or intelligent about it; or a president who was clever enough to avoid the draft back then still not daring to stand up and repeat his own words of protest, pretending that there was something dishonorable in them.

JOE WILLIAMS
Düsseldorf, Germany

Choosing One's Charity

Regarding "She Had Only the Bench — And One Happy Meal" (Opinion, Feb. 7) by Sarah Baldwin-Benisch:

With what credentials does the writer preach to us? How can she assume that those she sees on the Métro do not have other (larger) charities of their own? For me, like me, who spend long days traveling both above and below ground, even parting with one franc per person who asked would mean paying more per hour than we ourselves earn. I, like many others, choose to pool my resources for a more effective cause (such as that of Abbé Pierre). Spare us.

AMIT PIHAT
Paris

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(Compu-ter, UK).

INTERNATIONAL

In Barring Iran Oil Deal, U.S. Sends Conflicting Signals

By David E. Sanger
New York Times Service

WASHINGTON — If American business has received a single clear message from the Clinton administration in the last year, here it is: Join the age of "economic engagement," by helping the United States win over the souls of authoritarian regimes through greater access to American capital and investment.

That has been the logic with China, ever since the administration dramatically reversed gears a year ago and argued that investing in China would change Beijing's attitudes on human rights and the exportation of missiles.

It has been the logic with North Korea, where American business executives are already exploring investment opportunities. And it has applied in Vietnam, where the administration decided to take considerable political heat from veterans groups so that American companies would not miss out on economic openings.

Perhaps then it is understandable how Conoco Inc., the oil company subsidiary of Du Pont Co., missed the signals on Iran, and ended up losing a huge oil exploration deal.

After all, President Clinton appeared to be reversing course again in using an executive order to bar the transaction.

The administration is still struggling to explain how it has become such a vociferous advocate of "economic diplomacy" in dealing with some authoritarian regimes, while preaching the need for economic containment in places like Iran, Iraq and Cuba.

"We draw the line in countries with policies that are beyond the pale," a senior administration official said Tuesday, citing what he said was Iran's sponsorship of terrorism, its violation of human rights and its unclear ambitions.

But the market reality is this: While turning investment on and off may be the primary weapon Washington has left in its foreign policy

NEWS ANALYSIS

arsenal these days, it is only powerful if the rest of America's allies go along.

In Iran's case, that rarely happens. So the Iranians know that if Conoco is prohibited from spending \$1 billion to develop its offshore oil fields, someone else — in this case the French companies Elf Aquitaine and Total — will be standing in the wings.

Now has the United States had much success getting others to join its halfhearted ban on Iranian oil exports. For years, Japanese and American diplomats have professed the same goals in their attempts to change the behavior of the Iranian regime. Yet, in 1993 Japan brought in 370,000 barrels a day, making it Iran's biggest export market.

Washington has rarely been in a position to complain publicly about all this, because its sanctions on Iran have never been as tough as its oratory.

The government has always permitted American companies to buy, refine and sell Iranian oil, as long as they do it off American shores and

through subsidiaries. And once refined, it is impossible to tell the source of the oil. At least some of it undoubtedly flows through American gas pumps.

It was through this loophole that Conoco tried to leap. None of the oil in the deal it signed early this month was to be sold directly in the United States. No prohibition existed — until Tuesday — against the financing and service agreement Conoco planned to sign.

The president acted, his spokesman, Michael McCurry, said, because the deal would "represent a substantial new capacity for oil production by Iran."

He continued: "And that is, among other reasons, why the president felt it would dangerously add to their economic capacity to do the things that we find objectionable in the world community."

Of course, that is exactly the argument that the administration's critics have used in attacking its policy elsewhere in the world.

Presumably, economic engagement with North Korea, however limited, frees resources for that insular country to develop its arsenal of missiles, one of its biggest exports. Dealing with China is inevitably enrich the People's Liberation Army, which holds big stakes in many of the busiest factories. China is periodically accused of shipping its missiles to Iran, another of the Chinese Army's main industries.

So why is what is right in China wrong in Iran?

If Mr. McCurry's comments are taken to their

logical conclusion, allowing American companies to buy upwards of 25 percent of Iran's oil production is contributing to the regime's health and longevity.

Indeed, that is the argument put forth by Senator Alfonse M. D'Amato, Republican of New York and now the chairman of the Senate Banking Committee. He has introduced legislation to prohibit American companies or their foreign subsidiaries from doing business with Iran.

"We are subsidizing Iranian terrorism by purchasing their oil and it has to stop," Senator D'Amato said recently.

Perhaps the real reason that the administration was able to act so strongly Tuesday is simple politics. After all, what Iran lacks in the United States, for understandable reasons, is any constituency in Congress.

The administration was under tremendous pressure from the business community last year to separate human rights from the issue of trade preferences for China.

There is an active Vietnam business lobby, led by companies that realize that the country may be the last source of well-educated, well-disciplined and very inexpensive labor in Southeast Asia. But by large, American companies are not clamoring for a chance to work in a country that still routinely calls the United States the "great Satan."

The result was that Conoco found itself where no business wants to be in Washington: all alone.

IRAN: A Small German Airstrip

Continued from Page 1
for light single and twin-engine aircraft that cannot fly directly to Iran.

But liberal European Union aviation guidelines permit civilian airports to operate free from scrutiny by customs authorities. And planes under 7.5 tons are not required to report flight destinations. These two factors drew the Iranians to the airport almost a decade ago, although the Iranians did not purchase the airport until 1993.

Last August, after two Iranians with close ties to the airport were arrested trying to smuggle heroin and opium into Germany, the government forbade the planes from leaving the country. But German officials say it has proved almost impossible to enforce the ban.

German companies have bought weapons material and technology for the Iranian government by falsifying end-user documents for nearly a decade, according to internal company documents. These small European companies, many of which are owned by Iranians, ship material in long, circuitous routes to Iran.

In 1993, with the airport in disrepair and losing money under German management, it was bought by Mehdi Kashani, an Iranian arms dealer, along with Musa Khayer Habibollahi, a former deputy oil minister of Iraq. Mr. Habibollahi, who operated out of London until he disappeared from view a few weeks ago, offered the former owners \$8 million for the airport.

The price was twice what the German owners, Heinz-Erich Schreitmüller and Dr. Reinhard Uhlig, a Hamburg dentist, paid for it four years before.

The two men agreed to stay on and work for the new management company records show.

The management of the airport was turned over to an Iranian, Nick Ahmed Semmar. All of the Iranians, wanted for questioning by the German authorities in connection with the airport's operations, are no longer in Germany. Mr. Schreitmüller and Mr. Uhlig are also being investigated by the German authorities for arms trafficking to Iran.

The deal included buying up all the related companies at the airport, including Paratec and Nordfing, which holds the license for the airfield, and Nordair, which holds a license from the German civil aviation authority that allows the Iranians to buy aviation technology from German manufacturers without disclosing the final destination.

Mr. Kashani, 52, trained as a cleric in Iran, lives in Madrid and was first linked to arms smuggling to Iran in 1983, when a shipment of weapons parts was uncovered leaving Portugal for Iran. Mr. Kashani was involved in the Reagan administration's efforts to send arms to Iran in return for the release of Western hostages held in Lebanon.

In 1992, he was arrested by the Spanish police for trying to ship 200 Klystron amplifiers, used to help guide missiles, to the Iranian Air Force. Intelligence officials say they believe that he works for Mr. Habibollahi, who is believed to oversee the Iranian government's clandestine arms acquisitions in Europe.

But despite his record, Mr. Kashani continued to operate in Germany until last year. On Aug. 12, two associates, Parvis Sigurdson, 56, and a man identified in court documents only as Mohammed Ali L., 54, were arrested in the parking lot of the Elysee-Hotel in Hamburg trying to sell about 45 kilograms (100 pounds) of opium to undercover agents.

The narcotics, the Iranians told the agents, would be delivered through the Hartsenholz airport. The Iranians, who were arraigned in a Hamburg court in February, were also trying to buy radar components for American-made F-4 aircraft for the Iranian Air Force, the authorities said.

Mr. Sigurdson, who worked for Mr. Kashani and who carries a Danish passport, was expelled by the Spanish authorities to Denmark last May, on suspicion of smuggling weapons to Bosnia and Croatia.

The ties between arms smuggling and narcotics trafficking are close.

Intelligence officials said that the Iranians rarely take possession of weapons-related material in Europe or Russia, having it delivered instead to a transit point they believe will be beyond the scrutiny of Western intelligence services.

Oulu to Resume Seal Hunt

Continued from Page 1
In the past, Mr. Semmar was involved in the transportation of sensitive deliveries to Iran. Mr. Schreitmüller wrote, "He also seems to be involved in international drug trafficking and tried to involve Nordair in Schleswig-Holstein. I rejected these intentions."

Hamburg, a port city of 1.6 million residents, including 30,000 Iranians, has long been one of the central smuggling points in Europe. Intelligence officials say they believe that the Iranian Embassy in Bonn is the center for Tehran's intelligence operations in Europe.

It is from the embassy, they say, that Iranian agents coordinate plans to acquire illegal weapons and technology, as well as plan the killing of Iranian dissidents. About 60 Iranian dissidents have been killed in Europe and elsewhere since the Islamic government took power in 1979.

There are many Iranian institutions in Hamburg, including a large Islamic center. The center provides the Iranians, as well as Muslim militants from other countries, with a place to meet and arrange contacts, intelligence officials said. It is also a cover for Iranian agents infiltrated into Europe, they said.

But there are other activities that give the Iranians the cover they need to operate. Iranian ships dock frequently at the port to unload and take on cargo. Iranian truckers make the long drive to Hamburg to bring carpets and pistachios and return with European goods.

There have been at least two unexplained deaths connected to the airport here.

A few years ago, Mr. Kashani's wife, Leila Kashani, fell or was pushed to her death from a hotel room in Madrid.

She was frequently listed as a partner in the companies that shipped weapons technology to Iran. In 1984, she and her husband were arrested in Los Angeles for stealing \$3 million belonging to a partner in a Swiss engineering company called Tex Consulting and Engineering Inc. The partner was Mr. Habibollahi.

The death of Mr. Barschel, the former premier of Schleswig-Holstein, on Oct. 11, 1987, shook Germany. Mr. Barschel was found drugged and drowned in a bathtub in the exclusive Beau Rivage Hotel, in Geneva. The police have not ruled out suicide, but the case is still under investigation in Switzerland and Germany. Mr. Barschel's widow and brother insist that he was assassinated.

Investigators say there was apparently a meeting in Geneva of Iranian arms dealers and senior Iranian officials that may have included Ahmed Khomeini, the son of Iran's late spiritual leader, Ayatollah Ruhollah Khomeini, and Rafiq Dust, an arms dealer, hours before Mr. Barschel's body was found.

Investigators say that Mr. Barschel may have taken part in the meeting. They also say that the former premier may have been involved in the arms deals with Iran and may have run afoul of the Iranians.

Intelligence officials say the Iranians have inherited many of the old contacts and smuggling routes used in the past by the Pakistanis and the Iraqis to acquire nuclear weapons technology.

Former airport workers say that planes are often hastily loaded or unloaded late at night in Hartenholz. The airport, in an arrangement unusual for small civilian airstrips, has 24-hour-a-day flight clearance.

Reached by telephone, Mr. Uhlig, one of the former owners, denied all involvement in the airport and refused to give an interview.

His former partner, Mr. Schreitmüller, who says Mr. Uhlig and the Iranians cheated him out of his share of the purchase price, has moved and changed his phone numbers. He said he had received several death threats.

Material is often flown by light aircraft to airstrips in Poland and possibly other East European countries, often by way of Brussels or Vienna, and loaded onto cargo planes bound for Iran, intelligence officials said. On other occasions, the officials said, it has been flown to Eastern Europe and carried by truck to cargo ships.

Intelligence officials said that the Iranians rarely take possession of weapons-related material in Europe or Russia, having it delivered instead to a transit point they believe will be beyond the scrutiny of Western intelligence services.

JAPAN: Mayor of Nagasaki Lihens Atomic Bombing to the Holocaust

Continued from Page 1
clear weapons and a deep longing for their abolition."

But lately Japanese criticism of Mr. Truman's decision has been growing more pointed, perhaps reflecting the nation's self-confidence as an economic superpower, perhaps reflecting irritation over the postage stamp and Smithsonian controver-

sy. Whatever the reason, the two mayors, Mr. Motoshima in particular, were remarkably explicit in apportioning blame even as they disclaimed any desire to do so.

A Foreign Ministry spokesman refused to comment on the mayors' statements. Asked whether the Japanese government shared the view that the bombings were morally equivalent to the Holocaust, the spokesman replied:

Most American historians would cite

the fact that Japan was rejecting U.S. render ultimatums, and that Japanese troops were fighting to the death on island after island in the Pacific, raising the prospect of an appallingly bloody battle for the Japanese mainland.

Mr. Motoshima, however, saw other reasons behind America's decision.

He said that in the case of the Nagasaki bombing, there were two reasons for the atomic bombings other than the hastening of the war's end cited by the United States.

The first "was to prove the success of the Manhattan Project, which cost the American public \$2 billion," and the second was "to verify the actual explosive effect of the plutonium bomb," because, unlike the uranium bomb, he said, "the plutonium bomb was still unreliable."

Resolving the dispute will not be easy, though. The Union has refused to recognize a Feb. 1 NAFQ decision, pushed by Canada, that slashed Europe's halibut quota for 1995 to less than a tenth of last year's catch, to 3,400 tons.

BOAT: Canada Releases Spanish Trawler as Ottawa and EU Set New Talks

Continued from Page 1
intergovernmental agency that regulates fishing in the area.

The developments provided a much-needed truce in a dispute between North Atlantic Treaty Organization allies that has evoked the bitterness of the so-called cod wars between Iceland and Britain in the 1970s.

At stake are tens of thousands of jobs on both sides of the Atlantic and the viability of rapidly diminishing fish stocks in the waters.

Passions remained high, however, and there were several potential stumbling blocks.

A Spanish spokesman in Brussels said

his government and the Union still refused to recognize the Canadian moratorium and were free to fish.

Mr. Tobin, who earlier in the day had warned a Spanish vessel in the disputed waters that it could be seized, said only that the absence of any fishing "appreciates to be the case as we speak."

In Madrid, the Spanish government said the release of the Estai might ease tensions between the two countries but had not solved the conflict.

It is a decision that may contribute to creating a favorable climate and help solve the problems caused by the illegal seizure," a Foreign Ministry spokeswoman said.

EU officials, meanwhile, rejected as un-



LOOKING BACK — A father and daughter commemorating in Budapest the 147th anniversary Wednesday of the 1848 Hungarian revolt against Habsburg rule.

CAVE: French Dispute Wall Art

Continued from Page 1
video and made a shorter copy. Then at the press conference announcing the discovery, it presented an edited version of Mr. Chauvet's video and hand-edited four of Mr. Clottes' photos. It also made two grave errors: the ministry did not have the written consent of Mr. Chauvet to show the video, nor the permission of the Coulonge family for Mr. Clottes to take pictures and distribute them worldwide.

Mr. Chauvet, Mr. Hillaire and Mr. Brunel-Deschamps hired the Sygma photo agency to sell their pictures. Mr. Chauvet claimed that although he works for the government, he discovered the caves while on vacation, and therefore was entitled to exploit his photos as he wished. Furthermore, he stated that he was not a civil servant but a contractual worker, so the civil servant rules did not apply to him. "But the state maintains that he is a civil servant, even on vacation," said Mr. Chauvet's lawyer, Pierre Pujol.

Simultaneously, the Ministry of Culture began to sell Mr. Clottes' pictures of the paintings through Sygma, without permission of the Coulonge family. Mr. Notari says proceeds are going to the National Prehistoric Center, a government agency, to finance research. Even so, the family may seek royalties. "The ministry is acting like the king," said Miss de Forest. "It's not moral."

It appears that its problems with Mr. Chauvet, however, may soon be resolved. Although almost worldwide, the caves have been called Chauvet; the French government has reportedly referred to them as the Caves Vallon-Pont-d'Arc, after the nearby village. In exchange for its faux pas, the government has agreed to name the caves after Mr. Chauvet.

Drug Treatments Help Ward Off AIDS Pneumonia

Continued from Page 1
Boston — Two studies on the AIDS virus have found three drug treatments effective in preventing AIDS-related pneumonia, and a fourth drug that helps prevent several fungal infections in AIDS patients.

In the first study, published in Thursday's *New England Journal of Medicine*, researchers found three drug regimens seemed to be equally effective in warding off pneumocystis pneumonia, an AIDS hallmark.

Researchers, led by Dr. Samuel Bozzette of the University of California at San Diego, gave three groups the drugs dapsone, aerosolized pentamidine or a combination of trimethoprim and sulfamethoxazole.

Only one percent of the 842 patients enrolled in the study died of the pneumonia.

In the second study, the drug flucloxacil was generally found three times more effective than clotrimazole lozenges in preventing fungal infections. The researchers said the name of the restaurant was crossed out.

CJ/DR/MS



Henry Cisneros, whose private indiscretions resurfaced to embarrass the Clinton administration.

Associated Press

Mike Theiler/Reuters

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HEALTH / SCIENCE

Is This It? Human Evolution May Be Over

By William K. Stevens
New York Times Service

NEW YORK — Natural evolutionary forces are losing much of their power to shape the human species, scientists say, and the realization is raising tantalizing questions about where humanity will go from here.

Is human evolution ending, ushering in a long maturity in which Homo sapiens persists pretty much unchanged? Or will humankind, armed with the tools of molecular biology, seize control of its own evolution?

Recent work by evolutionary biologists and others is bringing into focus some of the factors likely to influence humanity's fate.

A number of experts say that Homo sapiens is becoming increasingly disengaged from the forces of natural selection and speciation, the key processes that brought humankind into existence. Until quite recently on the evolutionary time scale, those processes bound humans to the confined and perilous existence of hunter-gatherers. But the explosion of human culture, already in full flower in the cave art of Europe 35,000

years ago, has enabled the human species to liberate itself gradually from the harsh forces of natural selection.

Natural selection has to some extent been "replaced" in the case of humans, says Dr. Steve Jones, a geneticist at University College London. Most social changes "seem to be conspiring to slow down human evolution," he argues in a recent book, "The Language of Genes: Solving the Mysteries of Our Genetic Past, Present and Future" (Anchor Books, 1994).

Natural selection shapes species by choosing the fit over the unfit generation after generation. Individuals born with advantageous genetic changes survive and have more progeny, while those who lose out in the genetic lottery may perish before breeding age.

The human line, until the relatively recent weakening of evolutionary pressures, evolved to exploit a life as hunters and gatherers. One major selective force was climatic change. It was a global cooling around five million years ago, many paleontologists believe, that shrank the forests of Africa and induced the forebears of the human line — those genetically predisposed to do so — to walk upright and forage across the savanna.

Other environmental disruptions forced further adaptation, leading eventually to hunting, tool-making and language. Along the way, scientists believe, some populations became isolated from each other by barriers of geography or habitat, and they evolved differently enough to split into new species. Many species probably arose as the human line evolved, but only one now remains.

HOMO SAPIENS, the survivor, is departing from the script of natural selection in a number of ways, experts say, and evolutionary forces on humans consequently have weakened.

For instance, lions and leopards and saber-toothed cats do not carry off the weak and unfit as they once did. "That's no longer there," notes Dr. Elisabeth S. Vrba, an evolutionist at Yale University.

Since most people now survive to reproductive age, according to one view, natural selection is being robbed of its most important raw material. If everyone survives and reproduces, no selection of the fittest can take place; everyone is fit.

Humans, some evolutionists say, have wrapped themselves in such a snug, protective cocoon, from clothing to central

heating to hurricane warning systems, that populations are largely insulated from the environmental stresses that drive evolution. Technology and medicine also tend to cancel out inherited genetic defects.

Cold, emigration and travel have also blunted the shaping forces of evolution. When a population becomes isolated from the rest of its species, by a river or mountain, it is most likely to evolve in independent ways and eventually become a separate species.

"Homo sapiens today is in a mode of intermixing rather than differentiation, and the conditions for significant evolutionary change simply don't exist — and won't, of some all-too-imaginable calamity," Dr. Ian Tattersall, a paleoanthropologist at the American Museum of Natural History in New York, writes in "The Fossil Trail" (Oxford University Press, 1995).

For Dr. Tattersall, the most striking factor in the relaxation of evolutionary pressures is the unprecedented mobility of humans in the modern world. "what you have is a species that is spread over a huge variety of environments. There is no barrier that humans cannot cross now."

Crib Death: The Case for Sleeping Position

By Jane E. Brody
New York Times Service

NEW YORK — In a letter published recently in The New York Times, a distressed grandmother complained that she had been banished from baby-sitting for her 6-week-old grandson after the parents caught her putting the baby to sleep on his stomach.

"Don't you know about SIDS?" the equally distressed father hissed, referring to the growing evidence that babies who sleep face down are at increased risk of sudden infant death syndrome.

She had, and she knew of the current advice to avoid the prone position for all but a relative handful of babies. But she replied that she could not get the baby to settle down on his back and surely both baby and baby sitter needed some rest.

She is not alone. Despite strong warnings, millions of American infants are being put to sleep in positions or on soft bedding now considered potentially hazardous. As of last June, 45 percent of babies in the United States were still sleeping on their bellies.

Many parents and care givers have not heard the advice, others choose for various reasons to ignore it and still others are too poor to replace equipment now considered unsafe for their infants.

Meanwhile, in several countries where the vast majority of babies are now put to sleep on their backs or sides instead of their bellies, the rate of SIDS, or crib death as it was long called, has dropped by 50 percent or more.

The SIDS rate in the United States, about one in 800 live births, is much lower than in these countries, and experts here do not expect as large a drop in unexplained infant deaths if most American babies are switched from the prone position. But they insist that this is one of the simplest measures families and care givers can adopt to reduce crib deaths, which each year claim the lives of about 6,000 infants in the United States.

CONCERN about sleeping position, followed by concern about the surfaces babies sleep on, has been growing over the last two decades, but not until 1992 did the American Academy of Pediatrics advise parents to avoid putting babies to sleep on their stomachs.

Dr. Bradley T. Thach, otorhinolaryngologist at Washington University in St. Louis, Missouri, said, "Throughout history, most babies throughout the world have been placed on their backs, as was the case in the United States up until the 1930s."

Then, he said, American experts, including Dr. Benjamin Spock, promoted prone sleeping, believing it would reduce the risk of babies' choking to death or developing aspiration pneumonia if they vomited while asleep.

But there is no evidence for this. Dr. Thach said, and in Australia and England, where babies have now been switched to sleeping on their backs, there has been no increase in any cause of infant death, only a sharp decrease in crib death.

There is even a suggestion that babies who sleep on their backs are healthier than belly sleepers. Dr. Marian Willinger, a leading researcher in the field at the National Institute of Child Health and Human Development in Bethesda, Maryland, noted that in the Australian state of Tasmania, where sleep position has been intensively studied since 1988, the switch away from belly sleeping has been associated with a decline in visits to child health clinics, colds and vomiting after feeding.

Andrew Go in his debut collection accessed images of Yves Saint Laurent's classic safari jackets and slim skirts — and updated them as clean-as-a-whistle tailoring in flexible jersey. His polished, grown-up look with elegant hair and makeup showed how fast the new generation is moving away from dressing down.

Marcel Marongiu must have been glued to the small screen watching western movies. From the long skinny jackets to the cowboy hat the designer wore to take his bow, his was a show with a theme, rather than a message. But the lean and mean pantsuits looked well in bruised plum and eggplant colors or in shiny synthetic fabrics.

Inés de la Fressange called it "zapping through childhood" — her cute show of Mary Poppins tweeds in candy colors and velvet collared, nanny-knows-best coats — not least on a mini-model who stole the show dressed as Snow White.

Post and proper England has already proved a mine of creativity for Vivienne Westwood, but de la Fressange's take was spirited and ironic — as were colorful evening clothes, with turbans and dangling beads, in homage to Edith Sitwell, a favorite muse this season.

The crowded official calendar of 43 shows at the purpose-built Carrousel du Louvre is crumbling into chaos — despite an initiative by French journalists to get shows to start on time (read no more than 30 minutes late).

With hip designers picking their own time and location — Van Noten in the Botanical Gardens and Martin Margiela in the Bois de Boulogne — fashion followers are hoping that the overloaded system will not crash before the season closes on March 22.

Andrew Go in his debut collection accessed images of Yves Saint Laurent's classic safari jackets and slim skirts — and updated them as clean-as-a-whistle tailoring in flexible jersey. His polished, grown-up look with elegant hair and makeup showed how fast the new generation is moving away from dressing down.

Marcel Marongiu must have been glued to the small screen watching western movies. From the long skinny jackets to the cowboy hat the designer wore to take his bow, his was a show with a theme, rather than a message. But the lean and mean pantsuits looked well in bruised plum and eggplant colors or in shiny synthetic fabrics.

Inés de la Fressange called it "zapping through childhood" — her cute show of Mary Poppins tweeds in candy colors and velvet collared, nanny-knows-best coats — not least on a mini-model who stole the show dressed as Snow White.

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Flower-patterned, high-shine dress by Dries Van Noten.

And the chance to go channel surfing. Dries Van Noten was a zapping victim. The show he sent out Wednesday was visual chaos as elongated black coats over long skinny skirts switched to big and baggy pantsuits. Here a shiny satin dress, then a flash of orange, then a fluffy all-enveloping sweater or a lacy shift-dress.

The overall aim seemed to be feminized menswear, using mannish fabrics and shapes. But Van Noten threw his tailoring a giant lapel flower, rather than a curve. The result — and this is a season of shapey clothes — was a square jacket swimming over a straight houndstooth-check dress, or the body drowning in shapeless pants.

Forget fashion, here's a bunch of clothes seemed to be Van Noten's message. Some of them were pretty nice, with big flowers printed on satin and subtle mixtures of textures. But the Belgian designer no longer seems to be moving fashion's fast forward.

Junya Watanabe's vision was sharp, modern, futuristic.

Against the glass and steel-girded modernism of the American Center, Watanabe sent out tunics and pants in silvery space-age fabrics, pieced together so that the seams were pleats opening at the joints.

Then Leonardo da Vinci's anatomical drawings projected to the space odyssey "2001" and you have some notion of the way the outfits outlined the moving parts of the body.

The intricately cut tailoring in stiff, shiny

fabrics or slender dresses in soft wool were simple modern clothes rather than Star Trek costumes — a step forward for the ex-

ceptional at Comme des Garçons.

Plastic and nylon are the fetish fabrics of the 1990s. Dirk Bikkembergs's fine knits — fluffy and cropped short — were shown with shiny, synthetic hipster pants. Plastic was mixed with leather and even airy organza for long coats that swept the ankles over taut, body-conscious stretch pants.

It's like Leonarda da Vinci's anatomical drawings projected to the space odyssey "2001" and you have some notion of the way the outfits outlined the moving parts of the body.

The intricately cut tailoring in stiff, shiny

BOOKS

GARBO: A Biography
By Barry Paris. 650 pages. \$35.
Knopf.

Reviewed by
Nicole Arthur

IT is altogether fitting that author Barry Paris opens "Garbo: A Biography" with a hand-wringing preface questioning the legitimacy of producing yet another tome about the actress. Few figures in this century have been subject to

Garbo-scale scrutiny, and Paris himself cites some two dozen existing biographies.

What he has that previous biographers didn't is Garbo's 50-year correspondence with longtime friend Salka Viertel and 100 hours of taped telephone conversations that the actress had with the art dealer Sam Green late in her life. Yet despite these previously unavailable sources, Paris is sufficiently perceptive to quote Roland Barthes's observation that a biography is no more than "a

novel that dare not speak its name."

The actress that Paris rather hyperbolically calls "the greatest phenomenon in film — if not all twentieth-century art" was born in 1905 Stockholm to poor parents. The Gustafson family's situation was worsened by father Karl's poor health and eventual invalidism. Greta, youngest of the three Gustafson children, was reportedly her father's favorite. He died when she was 14; it was a devastating blow, not least because it meant that Greta had to leave school and find work. This she did, first as a barbershop "lather girl" and later selling hats at a department store.

It is often the business of biographers to impose portentousness upon ordinary childhoods, but it seems clear that early on Greta evinced many of the traits for which she later became notorious. Friends recall that she was alternately timid and impulsive. The scant information available about her early life makes a convincing pop-psych case for the fact that

Greta's family background determined lifelong behavior patterns. As the spoiled baby of the family, she had an almost egomaniacal sense of entitlement; as a teenager who lost a doting father, she craved the assurance of a male authority figure.

One such figure was Erik Petersen, "the Mack Sennett of Sweden," who encouraged her to apply for a scholarship at the Royal Dramatic Theater Academy after she appeared in one of his films. But it was Mauritz Stiller who was to be her mentor. In 1923 the academy's director sent Greta to audition for Stiller's "The Saga of Gösta Berling." Stiller adopted her as his protégé, and she soon gave him charge of her career — and her life. He chose her new last name and advised her on deportment (urging her to put her feet up), he told her: "A film star is always tired. It impresses people".

It is telling that, even in her autobiography, Garbo does not emerge as a strong personality. Yet it is hardly surprising. Always reserved, she became legendary as a fierce guardian of her privacy. Furthermore, there is no reason to believe that she

was a particularly self-aware or reflective person. As if to compensate for this singular lack of input from his subject, Paris lets others do the talking. And it's his good fortune that everyone from Tennessee Williams to Ingmar Bergman to Dorothy Parker had something to say about Garbo. The outspoken silent film star Louise Brooks, the subject of Paris's previous biography, provides many of the book's more perspicacious observations.

It is a measure of Garbo's status as icon that even the minutiae of her life are hotly contested. Uncertainty quickly becomes a sometimes comic, sometimes frustrating recurrence in Fadis's book. Opinions abound on such momentous subjects as how the star's pseudonym was selected, but the book also includes a fierce ongoing debate about her shoe size. Garbo, truly a biographer's nightmare, generated far more than her share of apocryphal tales. More often than not, Paris is forced to present two (and sometimes three or four) versions of the same event. Among the book's countless interviewees, virtually every assertion made about Garbo is countered by an assertion of the opposite from someone else. She is as enigmatic on the page as she was on the screen.

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WHAT THEY'RE READING

• Yoshihiro Wada, president of Mazda Motor Corp., says he is so busy trying to make the automaker profitable that he has had no time to read for pleasure.

"I only read material that pertains to the management of Mazda, such as reports. When we're back in the black, then maybe I'll have some time to read something else."

(Steven Brull, IHT)



Natural Clocks: Similar Daily Cycles for 3 Organisms

Levels of melatonin, a chemical that regulates the daily biological clock, in three studies. For humans, the study involved men who spent 14 hours a day in a darkened room.

Algae (Gonyaulax polyedra) nanograms per milliliter of protein

Japanese quail nanograms per milliliter of plasma

Human picograms per milliliter of plasma

2.5

2.0

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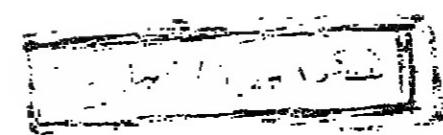
INTERNATIONAL HERALD TRIBUNE, THURSDAY, MARCH 16, 1995



PHOTO PATRICK DEMARCHELIER

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INTERNATIONAL HERALD TRIBUNE, THURSDAY, MARCH 16, 1995

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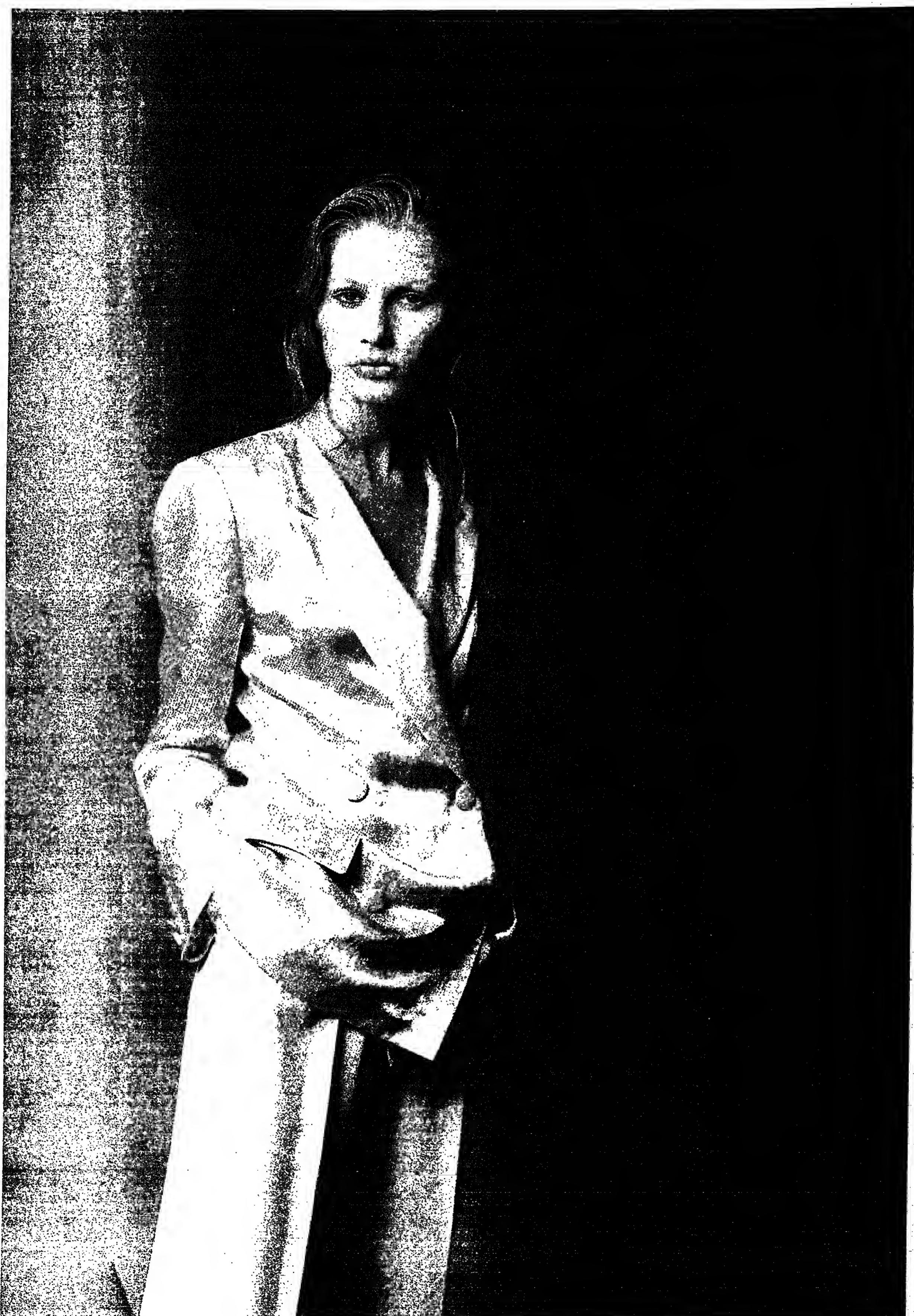
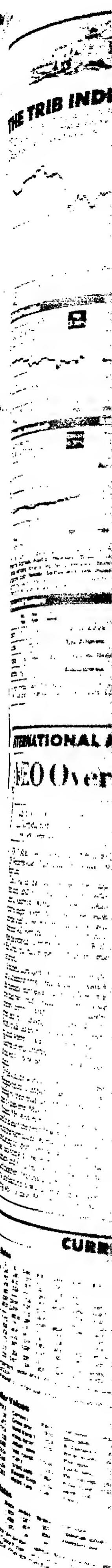


PHOTO PATRICK DEMARCHELIER



MARKET DIARY

Price Data Send Equities Sliding

Compiled by Our Staff From Dispatches

NEW YORK — One day after setting new records, U.S. stocks retreated Wednesday in response to higher-than-expected February wholesale prices.

"There's only one thing wroog with the market today," said Tom Brown, a money manager at Rutherford, Brown & Co.

U.S. Stocks

& Catherwood Inc. in Philadelphia. "The producer price index number gave traders a fit of overbought indecision."

Stocks were weaker after the U.S. Labor Department said that wholesale prices had climbed a surprising 0.3 percent in February and the Commerce Department said industrial production had jumped 0.5 percent.

The data led stock investors to fear the Federal Reserve Board might raise short-term rates in a continued campaign against inflation. Higher rates would be bad news for stocks because they would raise corporate borrowing costs.

"The data were fairly benign, but people are still worried about rates," said John Burnett, a stock trader at Donaldson, Lufkin & Jenrette Securities.

The Dow Jones industrial average fell 10.8 points to close at 4,038.37, hampered by a decline in Goodyear Tire & Rub-

ber and a slide by Motorola that pulled technology stocks lower.

Losing issues outpaced gainers on the New York Stock Exchange by slightly more than an 11 to 10 ratio on active volume of about 311 million shares.

The benchmark 30-year Treasury bond gained 1/32 to close at 103 6/32. The yield remained unchanged at 7.36 percent.

Motorola, down 1/2, hurt technology stocks after Comsat awarded a \$200 million cellular-equipment order to AT&T instead of to Motorola.

DSC Communications, down 2 1/2 to 35 1/2, supplied Motorola with digital switches for cellular systems. AT&T was unchanged at \$2.1.

"Technology stocks were under pressure early," said David Butler, head of equity trading at Kemper Financial Services in Chicago.

Goodyear Tire & Rubber Co. fell 3/4 to 35 after China Tire Holdings Ltd., China's largest tire maker, filed a \$1 billion lawsuit accusing Goodyear of stealing its stake in a plant in northern China.

But Union Carbide gained 1/4 to 294 after it said its earnings would surpass expectations.

(Bloomberg, AP, Reuters)

DOLLAR: U.S. Unit Renews Slide

Continued from Page 11
in dollar-linked Tesobonos this week, confusion about the Bank of Mexico's strategy and widespread fear that the government's economic austerity program may have backfired sent the peso lower on Wednesday.

Foreign Exchange

Reuters reported from Mexico City. The dollar rose to 6,635 pesos from 6,630 pesos on Wednesday.

"The most obvious culprit is Mexico, and it may be three to six months before the dollar evolves in a more rational manner," said Ron Levin, currency strategist at J.P. Morgan & Co. He pointed out that as long as Latin America remains nervous and volatile, central banks would have to continue selling dollars.

But Mr. Levin and others were reluctant to blame it all on Mexico. Interest rates on the dollar are not attractive enough to pull funds back to a currency that may be in the same kind of

long-term decline that the British pound began in the 1960s as it lost its reserve-currency luster, he said.

Adrian Cunningham of UBS Securities in London said the dollar simply "lost momentum" during the day after starting out with the bulls behind it across Europe and failing to continue after hitting what turned out to be a high point with no help from what was essentially neutral economic news from America.

I look for more of the same," said James Mitchell of Deutsche Bank Capital Markets in London. "There are so many people calling for the dollar at 1.25 against the Deutsche mark and no places to support it that for now 1.32 looks like a likely target."

Against other currencies, the dollar closed at 1.1515 Swiss francs, down from a closing rate of 1.1760 francs on Tuesday, and at 4,939.8 French francs, down from 5,0145 francs on Tuesday. The pound rose to \$1.6005 from \$1.5845.

Unit Renews Slide

PARIS — Sanofi SA, owner of such fashionable brand names as Yves Saint Laurent and Nina Ricci, said net profit in 1994 totaled 1.51 billion francs (\$300 million), up 83 percent from the previous year, aided by the acquisition of Eastman Kodak Co.'s prescription-drugs operations last year.

Sanofi, a unit of the French oil company Elf Aquitaine SA and one of France's leading pharmaceuticals and beauty products companies, said that profit from operations had jumped 13 percent in 1994, to 1.33 billion francs.

Pharmaceuticals Buoy Sanofi Profit

Revenue rose 11 percent, to 26.12 billion francs.

Separately, Sanofi said it would distribute as a special bonus one free share for every 10 shares held. Sanofi said it expected that revenue and profit would rise more than enough to offset the dilution from the 10 percent increase in its outstanding share capital, Jean-Claude Leroy, vice president of finance said.

"That's the spirit of our plan," he said. He said that profit from operations should grow more than 10 percent this year.

WTO Sets New Deadline For Naming a Leader

REUTERS
GENEVA — Envys to the World Trade Organization on Wednesday set a 10-day time limit for a decision in the nine-month search for a head of the new group.

They also asked Peter Sutherland, the interim leader of the WTO who had been due to step down Wednesday, to stay on until April 30.

U.S. / AT THE CLOSE**AMR Cuts Jobs, Shifts Management**

DALLAS (AP) — AMR Corp., the parent of American Airlines, announced an overhaul Wednesday that would cut costs by at least \$93 million annually and eliminate 900 jobs at the country's second-largest air carrier.

The jobs cuts will trim the staff of 5,000 at AMR's headquarters in Fort Worth. The company also shuffled its top management, naming Donald J. Carty president of the airline group. He had been executive vice president and chief financial officer of AMR.

The cutbacks were recommended by Boston Consulting Co., which was hired to do a study of the company last year.

Chinese Tiremaker Sues Goodyear

LOS ANGELES (AP) — China's largest tiremaker and two allies are suing Goodyear Tire & Rubber Co. for \$1 billion, alleging that the Akron, Ohio-based company unfairly robbed them of ownership of a Chinese factory.

China Tire Holdings Ltd., Orion Tire Corp. of San Clemente, California, and China Strategic Holdings Ltd. of Hong Kong, filed the lawsuit in U.S. District Court in Los Angeles.

The companies said Goodyear knowingly formed a joint venture with a tire factory in Dalian, an industrial city in northeastern China, that China Tire Holdings already had arranged to acquire.

• Lehman Brothers Inc. said it was being sued for \$58 million by Unicom, a Chinese company, in a dispute over trading losses. The lawsuit, filed Wednesday, was the second in a week in which a Chinese company sued Lehman for losses.

(Bloomberg)

Charges Slash General Mills Profit

MINNEAPOLIS (Combined Dispatches) — General Mills Inc. said Wednesday its third-quarter earnings plunged as it took one-time charges totaling \$136.1 million for restructuring and eliminating some operations.

The company earned a net \$5.4 million in the quarter to Feb. 26, down from \$14.5 million in the year-ago period. Revenue slipped to \$1.29 billion from \$1.35 billion. The company took a charge of \$124.8 million for closing four food plants and closing some restaurants and a charge of \$7.7 million for expenses related to splitting the company.

General Mills plans to spin off its Red Lobster, Olive Garden and China Coast restaurants into a separate company Jan. 1. It plans to concentrate on its consumer foods unit. (AFX, Bloomberg)

Time Warner and Turner Hit Snag

NEW YORK (AP) — Time Warner Inc. and Turner Broadcasting System Inc. ended without resolution a round of talks about Time Warner's desire to sell its 19.4 percent stake in the cable TV network company.

But published reports suggested people on both sides were still hoping to reach an agreement. The companies declined to discuss the reports.

Time Warner has said it wants to sell its stake in Turner Broadcasting in part to pare an \$18 billion debt. It invested about \$500 million to acquire the stake several years ago when cable system operators became minority owners as part of a financial rescue of the Atlanta-based owner of Cable News Network.

Du Pont Stake Helps Seagram Profit

NEW YORK (Combined Dispatches) — Seagram Co. said Wednesday its fourth-quarter net profit rose 30 percent, to \$191 million, helped by a strong performance by Du Pont Co. and an increase in sales.

Seagram's stake in Du Pont lifted its earnings by \$77 million, the company said. Seagram's revenue rose to \$2.23 billion from \$1.99 billion in the quarter to Jan. 31. (AFX, Reuters)

Heinz Sees Sales Increase for Year

BOSTON (Bloomberg) — H.J. Heinz Co. said Wednesday it expected revenue of \$8 billion in the 1995 financial year and was "aiming for" about \$9 billion in revenue in fiscal 1996. In the year ended in April 1994, Heinz had revenue of \$7.05 billion.

Anthony J.F. O'Reilly, the chairman and chief executive of Heinz, said the company would post a 45 percent increase in operating earnings for the fourth quarter of its 1995 financial year.

For the Record

Union Carbide Corp. said Wednesday it expected its first-quarter earnings on a fully diluted basis to exceed analysts' estimates of 80 cents to \$1.10 a share. (Bloomberg)

WORLD STOCK MARKETS

Agence France Presse March 15

Close Prev.

EUROPE

Market Drop Cuts Swiss Bank Net

Compiled by Our Staff From Dispatches

BASEL — Swiss Bank Corp. said Wednesday that its net profit fell nearly 41 percent last year as volatile financial markets slashed income from trading.

The banking company earned a net \$11 million Swiss francs (\$687.6 million) in 1994, down from 1.37 billion francs in 1993. Operating profit fell to 6.66 billion francs from 9.18 billion.

"The uncertain interest- and exchange-rate trends and the volatility this conveyed to the financial markets had an unfavorable impact on SBC's net trading income," the company said.

Trading profit fell to 990 million francs from 2.92 billion francs, with the bank's securities trading unit posting a loss of 86 million francs, down from a profit of 1.25 billion francs in 1993. Currency-trading profit fell 18 percent, to 780 million francs,

while income from precious metals trading was 4 percent lower, at 43 million francs.

Net interest income fell 9 percent, to 2.77 billion francs.

Net commission income was little changed at 2.57 billion francs. The bank's asset-management unit saw income rise 19 percent, to 1.56 billion francs, while brokerage income fell 22 percent, to 646 million francs. Income from securities underwriting fell 36 percent, to 13 million francs.

The difficult trading conditions outweighed a sharp drop in provisions for bad debts and a drop in expenses. Swiss Bank's loan-loss provision fell, to 1.02 billion francs from 2.77 billion the previous year.

At the same time, administrative expenses fell 4 percent last year.

Georges Blum, chief executive of the bank, said he was "confident" of improved

earnings in 1995, despite uncertainties in the financial markets.

Swiss Bank's bearer shares rose to 254 francs on Wednesday, up 4.

(AP, AFX, Bloomberg, Reuters)

■ **Société Générale Profit Rises 7%**

Société Générale said Wednesday its net profit rose nearly 7 percent last year, helped by a sharp drop in loan loss provisions, news agencies reported from Paris.

The bank earned a net 3.85 billion French francs (\$767.2 million) last year, up from 3.61 billion francs in 1993. The provision for bad debts fell to 5.09 billion francs from 7.21 billion francs.

But operating profit slipped to 10.54 billion francs from 12.31 billion, hurt by a drop in income from trading, which fell to 1.1 billion francs from 3.6 billion francs in 1993.

(Knight-Ridder, AFX)

Market Likes Schneider's Plans for Spie

Compiled by Our Staff From Dispatches

PARIS — Financial analysts on Wednesday welcomed a plan by the French electrical company Schneider SA to absorb its unprofitable public works unit Spie Batignolles SA.

Schneider said it expected to report a net profit of 700 million French francs (\$139.5 million) for 1994, up 73 percent from the 405 million francs in 1993.

Trading in Schneider shares was suspended in Paris pending publication of details of the plan. While it was allowed to trade, the stock rose as much as 4.9 percent, to 360 French francs. Trading in Spie Batignolles shares was suspended Monday.

Schneider already owns 59 percent of Spie.

The two French companies said Tuesday that their boards had agreed in principle to fold Spie into Schneider and that Schneider would offer 227 French francs for each Spie share in public hands.

The price represents a 68 percent premium on Spie's last-traded price of 135 francs the companies said.

"It's a good price. I was pleasantly surprised," said Ken Rumph, an analyst at UBS Ltd. in London.

Schneider will retain its name after absorbing Spie. (Reuters, Bloomberg, AFX)

have got such a high price if a foreign company had offered to buy it, he added, given that the company has steadily lost money in recent years.

The construction company expects to report a loss of 810 million francs for 1994, because of huge losses and provisions for property, and has had to put aside 300 million francs against unpaid bills.

Schneider stands to gain around 600 million francs in tax savings from Spie's losses, which it can use to shelter future profit. A foreign company would not have been able to use that tax shelter.

Schneider will retain its name after absorbing Spie. (Reuters, Bloomberg, AFX)

EA-General Predicts Win In Bank Bid

Compiled by Our Staff From Dispatches

VIENNA — EA-General AG said Wednesday it was confident it would win its bid for the Austrian government's remaining 49 percent voting stake in Creditanstalt-Bankverein.

The Austrian insurance company is part of a consortium that bid about 9 billion schillings (\$670 million) to gain control of the Austrian bank.

Allianz AG Holding, a potential competing bidder, has reportedly lost interest in the bank.

The EA consortium includes Commerzbank AG, Banca Commerciale Italiana, Austria's Erste Oesterreichische Sparkasse-Bank AG and several Austrian industrial companies. (Bloomberg, AFX)

German Banks Find Support

Reuters

FRANKFURT — A major German industrial association has entered a public debate about the influence that banks wield over industry, voicing its opposition to measures aimed at curbing banks' power.

The BDI association said Wednesday that it opposed the elimination of proxy voting rights as well as attempts to limit bank stakes in industry.

The association said German industry depended on strong support from the financial sector and that limiting banking authority would hurt rather than help Germany as an industrial center.

Germany's Social Democratic party presented legislation in late January aimed at curbing the power of the banking and insurance sectors, and the coalition government of Chancellor Helmut Kohl has also said it intends to limit the power of banking.

The association said the

ing with concern the public debate on the role of German banks in industry.

The BDI also said that individual cases, such as the near-collapse of Metallgesellschaft AG, the German conglomerate, were being generalized and that debate concerning such cases was being steered into a narrow discussion on the impact of banking powers on industry.

Proxy voting by banks has also proven its worth, the BDI added. The association said that those who wanted to eliminate proxy voting were ignoring the fact that shareholders themselves now assigned the power of attorney to banks. Under German law, a shareholder can authorize a 15-month power of attorney that can be canceled at any point.

The association said the

association also said that a limitation on bank stakes in industry was problematic and that the criticism of stakes came at a time when industry was depending on the active involvement of the financial sector, particularly regarding the economic development of Eastern Germany.

The association also said that

On May 17th, the IHT will publish a Sponsored Section to coincide with World Telecommunications Day on

TELECOMMUNICATIONS & DEVELOPMENT

Among the topics to be covered are:

- Privatization of state-owned PTTs.
- Mobile communications – 50 million people worldwide.
- The Internet and its remarkable growth.
- Funding the telecom infrastructure.
- Transferring technology to developing countries.

For further information, please contact Bill Maher in Paris at (33-1) 41 49 98 78 or fax: (33-1) 41 43 92 13.

Herald Tribune
THE WORLD'S DAILY NEWSPAPER

CANON INC.

Advice has been received from Tokyo that the 54th Ordinary General Meeting of Shareholders of the Company will be held at the Head Office of the Company, 202 Shimbamachi 3-Chome, Chita-ku, Tokyoto, Japan, on Thursday, 30th March, 1995.

Matters to be Reported
Report on the business and financial condition and statement of income and retained earnings for the 1993 business year from January 1, 1994 to December 31, 1994.

Matters to be Resolved
Approval of the profit appropriation plan for the 1994 business year.

Approval of the capital increase plan for the 1994 business year.

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Approval of the profit appropriation plan for the 1996 business year.

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Approval of the profit appropriation plan for the 2010 business year.

Approval of the capital increase plan for the 2010 business year.

Approval of the profit appropriation plan for the 2011 business year.

Approval of the capital increase plan for the 2011 business year.

Approval of the profit appropriation plan for the 2012 business year.

Approval of the capital increase plan for the 2012 business year.

Approval of the profit appropriation plan for the 2013 business year.

Approval of the capital increase plan for the 2013 business year.

Approval of the profit appropriation plan for the 2014 business year.

Approval of the capital increase plan for the 2014 business year.

Approval of the profit appropriation plan for the 2015 business year.

Approval of the capital increase plan for the 2015 business year.

Approval of the profit appropriation plan for the 2016 business year.

Approval of the capital increase plan for the 2016 business year.

Approval of the profit appropriation plan for the 2017 business year.

Approval of the capital increase plan for the 2017 business year.

Approval of the profit appropriation plan for the 2018 business year.

Approval of the capital increase plan for the 2018 business year.

Approval of the profit appropriation plan for the 2019 business year.

Approval of the capital increase plan for the 2019 business year.

Approval of the profit appropriation plan for the 2020 business year.

Approval of the capital increase plan for the 2020 business year.

Approval of the profit appropriation plan for the 2021 business year.

Approval of the capital increase plan for the 2021 business year.

Approval of the profit appropriation plan for the 2022 business year.

Approval of the capital increase plan for the 2022 business year.

Approval of the profit appropriation plan for the 2023 business year.

Approval of the capital increase plan for the 2023 business year.

Approval of the profit appropriation plan for the 2024 business year.

Approval of the capital increase plan for the 2024 business year.

Approval of the profit appropriation plan for the 2025 business year.

Approval of the capital increase plan for the 2025 business year.

Approval of the profit appropriation plan for the 2026 business year.

Approval of the capital increase plan for the 2026 business year.

Approval of the profit appropriation plan for the 2027 business year.

Approval of the capital increase plan for the 2027 business year.

Approval of the profit appropriation plan for the 2028 business year.

Approval of the capital increase plan for the 2028 business year.

Approval of the profit appropriation plan for the 2029 business year.

Approval of the capital increase plan for the 2029 business year.

NYSE

Wednesday's 4 p.m. Close
Tables include the nationwide prices up to
the closing on Wall Street and do not reflect
late trades elsewhere. Via The Associated Press

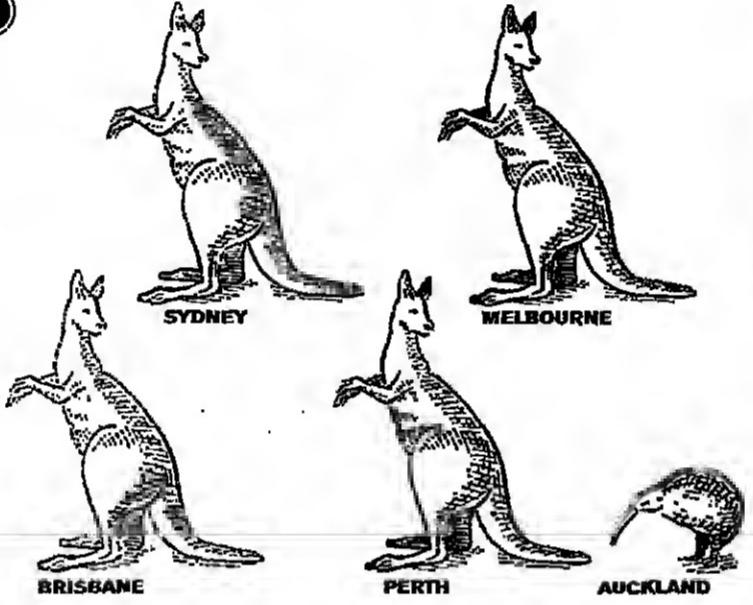
12 Month High Low Stock	Div	Yld	PE	Ss 100s	High		Low		Last Chg/c	
					High	Low	High	Low	Last	Chg/c
1	1	1	1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3	3	3	3
4	4	4	4	4	4	4	4	4	4	4
5	5	5	5	5	5	5	5	5	5	5
6	6	6	6	6	6	6	6	6	6	6
7	7	7	7	7	7	7	7	7	7	7
8	8	8	8	8	8	8	8	8	8	8
9	9	9	9	9	9	9	9	9	9	9
10	10	10	10	10	10	10	10	10	10	10
11	11	11	11	11	11	11	11	11	11	11
12	12	12	12	12	12	12	12	12	12	12
13	13	13	13	13	13	13	13	13	13	13
14	14	14	14	14	14	14	14	14	14	14
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19	19	19	19	19	19	19	19	19	19	19
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21	21	21	21	21	21	21	21	21	21	21
22	22	22	22	22	22	22	22	22	22	22
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24	24	24	24	24	24	24	24	24	24	24
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28	28	28	28	28	28	28	28	28	28	28
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96	96	96	96	96	96	96	96	96	96	96
97	97	97	97	97	97	97	97	97	97	97
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100	100	100	100	100	100	100	100	100	100	100

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NYSE

Continued on Page 17

CITIC Leader Steps Down, Citing His Age

Compiled by Our Staff From Dispatches

BEIJING — Wei Mingyi will resign as chairman of China International Trust & Investment Corp. after all executives of the government's overseas investment company said Wednesday.

A spokesman for CITIC said Mr. Wei submitted his request to retire to the State Council, saying that at 71 years old, he was "too old to go on."

China's financial rumor mill switched into high gear this week after Mr. Wei failed to submit his resignation at a Sunday board meeting, which sources had said would be the likely venue for his retirement.

A CITIC spokesman said Mr. Wei made his decision "several days ago" and he had informed the company at the annual directors' meeting on Sunday.

Western sources have said that Mr. Wei appeared to be stepping down to take responsibility for a costly futures fiasco at CITIC's Shanghai unit, which operates independently.

Nearly 10 months ago it became apparent that the Shanghai operation had run up losses of \$40 million in unauthorized trading of base metals, mainly copper, through 14 London Metal Exchange brokers.

It was unknown if Mr. Wei had direct knowledge of the trading. But an executive at CITIC's administrative secretariat said Wednesday that "he had nothing to do with the Shanghai losses. It has merely to do with his advancing age."

The executives would not comment on reports that Mr. Wei would be succeeded by Wang Jun, 53, the president of CITIC.

A western banker said last week that Mr. Wang would be an obvious choice because of his seniority, good connections and qualifications — and because of his father, Wang Zhen, an associate of the senior leader, Deng Xiaoping.

The Chinese cabinet has the final say over the top appointments at CITIC. (AFP, Reuters)

China Permits Licensing Of Hong Kong Phone Rivals

Compiled by Our Staff From Dispatches

HONG KONG — China has endorsed the granting of four licenses to operate telephone services after Hong Kong Telecommunications Ltd.'s monopoly franchise expires June 30.

Hong Kong Telecom will hold one of the licenses, but will be competing with Hutchison Communications, a unit of Hutchison Whampoa Ltd.; New T & T, owned by Wharf (Holdings) Ltd., and New World Telephone, a unit of New World Development Co.

The licenses are for fixed-line domestic telecommunications services. Hong Kong Telecom, which is controlled by Cable & Wireless PLC, will retain a monopoly franchise on international services until 2006.

China's blessing was required because the 15-year licenses extend well beyond 1997, when Hong Kong is due to revert to Chinese sovereignty from British control. The approval came through the Chinese side of the Sino-British Joint Liaison Group, the body set up by the two countries to discuss issues affecting the transition to Chinese rule.

The three newcomers are expected to focus on specific market niches when they start up later this year, while Hong Kong telephone will continue to dominate residential telephone services.

Hutchison Communications said that it has already installed an "intelligent network infrastructure" built by Siemens AG of Germany.

(Knight-Ridder, Bloomberg, AFP)

NYSE

Wednesday's 4 p.m. Close
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

12 Month High Low Stock Div Yld PE Yld Div Yld PE Yld Div Yld Low High Low High Low High

12 Month High Low Stock Div Yld PE Yld Div Yld PE Yld Div Yld Low High Low High Low High

12 Month High Low Stock Div Yld PE Yld Div Yld PE Yld Div Yld Low High Low High Low High

KMART: Dismay Endangers CEO

Continued from Page 11
waiting for the other shoe to drop," one top executive said.

The conundrum is giving directors plenty to think about. "You couldn't be around Kmart today," Mr. Davis said, "and not be concerned that the company is not where we want to see it be."

Traditionally, directors delay for months, if not longer, before taking strong action. "Typically, you see material stock-price underperformance for at least two years before anything happens," Joseph A. Grundfest, a former Securities and Exchange Commission member who teaches at Stanford Law School, said.

GM, for example, lost sales to competitors for years before directors rose up. Even then, before ousting the chief executive, Robert C. Stempel, the board named a chairman of the executive committee. Only nine months later, as Mr. Stempel stuck to a go-slow strategy, did the board finally eject him.

Similarly, International Business Machines Corp., Eastman Kodak Co. and Westinghouse Electric Corp. languished for years before ousting their chiefs.

By almost any measure, Kmart is overdue for a boardroom coup, and the investor anger is palpable. "You never hear Kmart say, 'This is how we're going to get ahead of the curve,'" a disgruntled institutional holder said. "What you hear is, 'This is how we're going to be better than we were.' That's a failing retail strategy."

The directors have bungled nearly every effort to save the company without changing the company.

An attempt to hire a No. 2 went awry. Efforts to close weak stores, cut costs and centralize inventory management are not stanching the bleeding.

The board may buy a little more of that precious commodity in the next few weeks when it adds two directors. If the new directors are strong independents and if Mr. Antonini can quickly produce some positive news, Kmart may muddle along for a bit longer.

If not, the next annual meeting, on May 23, will probably be one raucous show.

Investor's Asia

Hong Kong	Singapore	Tokyo
Hang Seng	Straits Times	Nikkei 225
1994	2100	2100
1995	2000	2000
1996	1900	1900
1997	1800	1800
1998	1700	1700
1999	1600	1600
2000	1500	1500
2001	1400	1400
2002	1300	1300
2003	1200	1200
2004	1100	1100
2005	1000	1000
2006	900	900
2007	800	800
2008	700	700
2009	600	600
2010	500	500
2011	400	400
2012	300	300
2013	200	200
2014	100	100
2015	0	0

Compiled by Our Staff From Dispatches

HONG KONG — Asian markets closed sharply higher Wednesday following the record gains on Wall Street on Tuesday.

In Hong Kong, the strongest buying was in blue-chip property stocks, following the successful conclusion of a government residential property auction Tuesday. Brokers also attributed the gains to the belief that the market will not suffer from rising interest rates.

The blue-chip Hang Seng index surged 270.63 points, or 3.34 percent, to 8,365.21, its highest close this year.

"The Wall Street performance is quite strong," said Mark Gallagher, an analyst at Dao Heng Securities. "Not just equities but bond prices have gone up steadily. It translates into an increasing crystallization of the view that the interest rate peak is not far off."

In Tokyo, computer-driven buy orders spurred the Nikkei 225 index in Tokyo rose 421.01 points, or 2.59 percent, to 16,666.83, its biggest increase in six weeks.

But the increase was largely limited to stocks listed on the benchmark index.

"Only shares in the Nikkei were higher due to arbitrage-linked buying," and others didn't move much," said Harushige Kobayashi, deputy general manager at Yamaichi Securities Co. (Reuters)

■ Thailand Bolsters Stocks

Thai financial authorities have stepped in to breathe life back into the stock market, which has plunged nearly 15 percent since January due mostly to tight liquidity and foreign selling. Reuters reported Wednesday.

Mr. Pemberton also forecast a significantly higher full-year profit than the 156 million dollars recorded for the 1993-94 financial year.

Finance Minister Kim Beazley said the profit figure was "pretty much" in line with the government's expectations. He said the profit would not affect plans to sell the government's stake in the next fiscal year.

(Bloomberg, AFP, AFX)

International Herald Tribune

Very briefly:

■ Asia Satellite Telecommunications signed an agreement to lease a transponder on the AsiaSat 2 satellite to Marconi Global Communications for Portuguese-language broadcasts.

■ Export-Import Bank of Japan's president, Hiroshi Yasuda, expressed disappointment with a decision to merge his bank with another governmental financial institution, the Overseas Economic Cooperation Fund in 1999.

■ Tomen Corp. has agreed to set up an alliance next month with U.S.-based Continental Cablevision Inc. to start cable television networks in Japan.

■ Peter Woo will resign as chairman of Wheelloch & Co. and then serve as honorary chairman of the Hong Kong conglomerate. He will be replaced by Vice Chairman Gonzaga Li.

■ Itochu Corp. has taken a 30 percent stake in a \$100 million commercial and office complex property development in Shanghai, the Lippe Group subsidiary Hongkong China Ltd. said.

■ China is considering introducing an inheritance tax, according to the Beijing Youth Daily.

■ India's new federal budget, issued Wednesday, increases welfare spending and subsidies while lowering tariff.

■ Moody's Investors Service has upgraded to A1 from A2 its rating on foreign currency obligations issued by Malaysia.

■ PepsiCo Inc. and Kraft General Foods Inc. said they will team up to sell ready-to-drink canned coffee in China.

■ Hong Kong will introduce legislation later this month imposing tough penalties against copyright piracy, the trade and industry secretary said.

■ South Korea's gross domestic product rose 8.4 percent in 1994, from 5.8 percent the year before, following a final-quarter surge.

■ North Korea's foreign trade plummeted in 1994 to \$1.83 billion, the lowest level in 16 years and a 20.6 percent drop from 1993, according to South Korean figures. Sharp decline in trade with China and Russia led to a deficit of \$210 million.

■ Sega Enterprises Ltd. said authorities in China had seized counterfeit copies of its video-game machines and software.

Bloomberg, AP, Reuters, Knight-Ridder, AFP

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France	F.F.	1,950	550
Germany*	D.M.	700	210
Great Britain	P.	210	65
Ireland	Erl.	230	65
Italy	Lire	470,000	145,000
Luxembourg	LFr.	14,000	4,200
Netherlands	G.	770	230
Portugal	Esc.	47,000	14,000
Spain	Ptas.	48,000	14,500
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Sweden (hand delivery)	S.Kr.	3,500	1,000
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WP Ep 103

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DIVIDEND ANNOUNCEMENT

NASDAQ
National Association
of Securities Dealers
Automated Quotation System

Wednesday's 4 p.m.
This list compiled by the AP, consists of the 1,000 most traded National Market securities in terms of dollar value. It is updated twice a year.

11 Month High Low Stock	Div	Yld	PE	S5		100s		High	Low	Latest Chg
				100s	100s	High	Low			
A										
164c 91% AACN		1.73		-	18	64	12%	1114	12	-
731c 15% ABC Rail		-	22	10	12	73	23	215	20	-
221c 11% ABT Bid		-	17	14	142	144	144	144	144	-
36% 12% ACC Co	.12	-	5	30	104	104	104	178	180	-11
91% 13% ACC Ent		-	1	70	191	194	194	145	145	-9
30% 11% ACC Tc		-	24	74	40	39	39	29	29	-
31% 13% ADDTels		-	41	1038	31	304	304	304	304	-
16% 13% ADDFlex		-	15	222	20	194	194	194	194	-
16% 13% ADDGems		-	13	10	22	22	22	83	84	-
33% 15% ADDGems		-	13	1689	18	1114	1114	1114	1114	-
33% 15% ADDGems Cr		-	13	6651	23%	22%	22%	22%	22%	-
33% 15% ADDGems Cp		-	13	5	22	20	20	20	20	-
24% 10% ADDGems Hid		-	24	4769	34%	304	304	304	304	-
37% 15% ADDGems H		-	13	1973	17%	149	149	149	149	-
27% 7% ADDGems Hid		-	24	224	17%	149	149	149	149	-
27% 12% ADDGems H		-	13	16389	22%	164	164	164	164	-
26% 14% ADDGems M		-	7	114	154	154	154	145	145	-
14% 7% ADDGems T		-	20	1957	13%	136	136	136	136	-
26% 15% ADDGems T		-	24	1962	20%	258	258	258	258	-
18% 9% ADDGems T		-	9	2466	18	174	174	174	174	-
36% 14% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 8% ADDGems T		-	13	1129	20%	20	20	20	20	-
23% 12% ADDGems T		-	24	977	31	20	20	20	20	-
16% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-	20	1957	15%	24	24	24	24	-
19% 15% ADDGems T		-	20	20	15%	24	24	24	24	-
9% 4% ADDGems T		-	9	2466	18	174	174	174	174	-
37% 12% ADDGems T		-	24	111899	34%	356	356	356	356	-
17% 7% ADDGems T		-	13	1529	26%	73	73	73	73	-
19% 9% ADDGems T		-	13	195	14	154	154	154	154	-
20% 5% ADDGems T		-	5	373	57%	374	374	374	374	-
25% 14% ADDGems T		-	51	48	52	51	51	51	51	-
14% 7% ADDGems T		-	13	93	25	24	24	24	24	-
35% 14% ADDGems T		-</								

AMEX

Wednesday's 4 p.m. Close
Tables include the nationwide prices up to
the closing on Wall Street and do not reflect
late trades elsewhere. Via The Associated Press

12 Month High Low Stock	Div	Yld	PE	Sq	High	Low	Lafos	Chg%
A								
9 1/2 710 AIM Str	.40	7.4		225	\$14	8	\$14	+ 1/2
284 214 ALG Co				19	140	31	31	- 1/2
12 1/2 815 AM Int'l				11	5	9	9	- 1/2
13 1/2 916 AMIC				19	140	11 1/2	11 1/2	- 1/2
26 1/2 281 AMIC pf	1.75	6.9		272	250	250	226	- 1/2
4 1/2 2 ARC				8	215	31	31	- 1/2
7 1/2 3 ARI Hld				4	15	7	6 1/2	- 1/2
25 1/2 195 APRA Pfd	2.38	10.8		120	22 1/2	21 1/2	21 1/2	- 1/2
4 1/2 1 APR	.40	11.4		7	303	30	30	- 1/2
46 1/2 615 ATT Pd	2.76	4.1		22	64 1/2	64 1/2	64 1/2	- 1/2
54 1/2 AT&T Com	.10	1.0		31	51	51	50 1/2	- 1/2
10 1/2 AT&T Corp	.10	1.4		13	3	3	3	- 1/2
7 1/2 AT&T Corp				17	190	1	190	- 1/2
19 1/2 AT&T Corp				140	194	184	19	- 1/2
4 1/2 AT&Med				161	313	26	26	- 1/2
3 1/2 AT&Phot				254	19	19	1	- 1/2
9 1/2 AT&Person				6	2	2	2	- 1/2
10 1/2 AT&Vista				33	55	52	55	- 1/2
4 1/2 AT&Care				1	24	24	24	- 1/2
4 1/2 AT&Cos				25	3	3	3	- 1/2
19 1/2 AT&Com				18	56	56	56	- 1/2
5 1/2 AT&Corp				10	10	10	10	- 1/2
1 1/2 AT&Corp II				52	29	29	29	- 1/2
16 1/2 AT&Cooper	1.44	8.8		2652	164	1614	1614	- 1/2
2 1/2 AT&Fin				55	54	54	54	- 1/2
7 1/2 AT&Dentif				30	1	1	1	- 1/2
1 1/2 AT&Dentif				846	10 1/2	846	846	- 1/2
10 1/2 AT&Dentif				113	5	5	5	- 1/2
10 1/2 AT&Dentif				2000	50	470	470	- 1/2
12 1/2 AT&Dentif				50	50	50	50	- 1/2
4 1/2 AT&Ent				18	115	115	115	- 1/2
12 1/2 AT&Ent				105	115	115	115	- 1/2
9 1/2 AT&EntP2	1.48	12.3		78	12 1/2	12 1/2	12 1/2	- 1/2
21 1/2 AT&F&RT	.150	7.3		25	20 1/2	20 1/2	20 1/2	- 1/2
25 1/2 AT&F&RT	.152	6.1		18	21	21	21	- 1/2
25 1/2 AT&F&RT	.25	8.8		11	144	31	27 1/2	- 1/2
4 1/2 AT&F&R				20	14 1/2	14 1/2	14 1/2	- 1/2
1 1/2 AT&F&R				685	1 1/2	1 1/2	1 1/2	- 1/2
5 1/2 AT&F&R				100	3	2 1/2	2 1/2	- 1/2
4 1/2 AT&F&R	1.13	32.5		78	3 1/2	3 1/2	3 1/2	- 1/2
18 1/2 AT&F&R	1.02	9.8		82	14 1/2	14 1/2	14 1/2	- 1/2
1 1/2 AT&F&R	.96	10.8		10	10	10	10	- 1/2
12 1/2 AT&F&R	.120	10.0		10	31	12	12	- 1/2
52 27 1/2 AT&F&R	1.050	2.1		4	494	485	485	- 1/2
21 15 AT&Lst	.200	3.9		12	63	71	20 1/2	- 1/2
39 1/2 AT&Maze	.48	1.8		372	37 1/2	37 1/2	37 1/2	- 1/2
20 1/2 AT&Maze	.48	1.8		16	27	38 1/2	38 1/2	- 1/2
12 1/2 AT&Maze				53	53	53	53	- 1/2
5 1/2 AT&Maze				12	18	7 1/2	7 1/2	- 1/2
7 1/2 AT&Maze	.92	10.8		12	18	7 1/2	7 1/2	- 1/2
11 1/2 AT&Maze	.54	10.1		12	5	5	5	- 1/2
6 1/2 AT&Maze				11	9	3 1/2	3 1/2	- 1/2
4 1/2 AT&TechC				12	9	5 1/2	5 1/2	- 1/2
10 1/2 AT&TechC				12	9	5 1/2	5 1/2	- 1/2
14 1/2 AT&TechC				12	9	5 1/2	5 1/2	- 1/2
14 1/2 AT&TechC				12	9	5 1/2	5 1/2	- 1/2
2 1/2 AT&TechC				12	9	5 1/2	5 1/2	- 1/2
21 1/2 AT&TechC	.40	2.8		12	27	14 1/2	14 1/2	- 1/2
2 1/2 AT&TechC				27	87	87	87	- 1/2
7 1/2 AT&TechC				26	27	27	27	- 1/2
11 1/2 AT&TechC				13	101	2 1/2	9 1/2	- 1/2
5 1/2 AT&TechC				9	90	6 1/2	6 1/2	- 1/2
7 1/2 AT&TechC				105	27	9 1/2	9 1/2	- 1/2
7 1/2 AT&TechC				12	8	8	8	- 1/2
2 1/2 AT&TechC				12	138	3	2 1/2	- 1/2
7 1/2 AT&TechC				22	554	3 1/2	3 1/2	- 1/2
7 1/2 AT&TechC				20	62	62	62	- 1/2
7 1/2 AT&TechC				20	62	62	62	- 1/2
10 1/2 AT&TechC				24	2432	4 1/2	4 1/2	- 1/2
9 1/2 AT&TechC				10	18	4 1/2	4 1/2	- 1/2
4 1/2 AT&TechC				10	318	4 1/2	4 1/2	- 1/2
2 1/2 AT&TechC				465	1 1/2	10 1/2	10 1/2	- 1/2
B								
2 1/2 AT&HO	1.050	39.1		11	2 1/2	2 1/2	2 1/2	- 1/2
12 1/2 AT&H&S	.900	58		112	13 1/2	12 1/2	13 1/2	- 1/2
8 1/2 AT&H&S				20	74 1/2	73 1/2	73 1/2	- 1/2
2 1/2 AT&H&S				76	4	3 1/2	3 1/2	- 1/2
7 1/2 AT&Holdings	.03	6		28	5	5	5	- 1/2
6 1/2 AT&Holdings				28	145	5 1/2	5 1/2	- 1/2
22 1/2 AT&Holdings	1.730	8.8		16	23	19 1/2	19 1/2	- 1/2
14 1/2 AT&Holdings				16	93	9 1/2	9 1/2	- 1/2
9 1/2 AT&H&S				77	23	6 1/2	6 1/2	- 1/2
26 1/2 AT&H&S	.75	23		10	7	6 1/2	6 1/2	- 1/2
22 1/2 AT&H&S				10	111	20 1/2	20 1/2	- 1/2
24 1/2 AT&H&S				11	21	21	21	- 1/2
1 1/2 AT&H&S				35	1 1/2	1 1/2	1 1/2	- 1/2
21 1/2 AT&H&S				28	27	27	27	- 1/2
21 1/2 AT&H&S				7	12 1/2	19 1/2	19 1/2	- 1/2
7 1/2 AT&H&S				26	27	27	27	- 1/2
11 1/2 AT&H&S				13	103	22 1/2	22 1/2	- 1/2
12 1/2 AT&H&S				13	134	12 1/2	12 1/2	- 1/2
12 1/2 AT&H&S				13	158	15 1/2	15 1/2	- 1/2
7 1/2 AT&H&S				13	27	27	27	- 1/2
7 1/2 AT&H&S				13	47	47	47	- 1/2
4 1/2 AT&H&S				4	35	35	35	- 1/2
10 1/2 AT&H&S				54	1 1/2	1 1/2	1 1/2	- 1/2
10 1/2 AT&H&S				263	39 1/2	35 1/2	35 1/2	- 1/2
2 1/2 AT&H&S				1708	14	14	14	- 1/2
20 1/2 AT&H&S				103	22 1/2	22 1/2	22 1/2	- 1/2
12 1/2 AT&H&S				134	12 1/2	12 1/2	12 1/2	- 1/2
2 1/2 AT&H&S				158	15 1/2	15 1/2	15 1/2	- 1/2
7 1/2 AT&H&S				13	21	21	21	- 1/2
7 1/2 AT&H&S				13	31	31	31	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
10 1/2 AT&H&S				13	35	35	35	- 1/2
4 1/2 AT&H&S				13	35	35	35	- 1/2

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March 15, 1995

For information on how to list your fund, fax Catherine de VIENNE at (33-1) 41 43 92 16.

Herald Tribune INTERNATIONAL SPORTS

THURSDAY, MARCH 16, 1995

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3 Players In England Out on Bail

Compiled by Our Staff From Dispatches

SOUTHAMPTON, England — The three Premier League players questioned by police about allegations of bribery and match-fixing were released on bail Wednesday without being charged, police said.

Goalkeepers Bruce Grobbelaar of Southampton and Hans Sege of Wimbledon and Aston Villa striker John Fasham will be required to report back to police stations for further questioning, the police said.

The Malaysian businessman Heng Suan Lim was also released, as was Fasham's girlfriend, Melissa Kassampsai, later in the day.

Fasham, on his release, said he was "completely innocent" and denied any knowledge of what the police were investigating.

Grobbelaar, at a hastily arranged news conference in Southampton after his release, thanked his fans for their support but said nothing directly about the allegations. His lawyer, David Hewitt, said, "He has not been involved in any criminal act whether alone or with other people."

Earlier, the police had been granted an extra 12 hours to question Grobbelaar and Sege.

"They must report back to Hampshire police stations at a future date but I am not sure what the date is," said a police spokesman in the southern English city.

The former president of the other French team involved in the Olympique Marseille bribery trial gave a boost Wednesday to Bernard Tapie's claim that the Marseille club's owner was a victim rather than the instigator of a 1993 match-fixing scheme.

"I firmly believe that Bernard Tapie was not aware of the corruption, or at least that he was unaware of the means of payment," the former Valenciennes president, Michel Coenac, told the court.

Jean-Pierre Bernes, the Marseille club's former director general, told the court earlier that Tapie personally hatched the match-fixing scheme aboard his yacht six days before Marseille won the European cup.

Tapie, a member of the French and European parliaments and a former cabinet minister, countered that Bernes concocted that account to bolster his own defense.

Bernes also accused Valenciennes' former coach, Boro Primorac, of knowing about the bribes and threatening to expose them unless Marseille agreed to a counterproposal: to settle for a draw rather than a victory.

Coenac, the first person to testify who was not among the defendants in the case, flatly denied that his club had offered anything to Marseille.

He was temporarily released from prison to give evidence at the trial. He is being held in connection with an unrelated business corruption probe.

(Reuters, AP)



Veteran midfielder Frank Rijkaard unintentionally used his head to foil Split's Mirsad Hibic. Ajax Amsterdam won, 3-0.

Bayern, Ajax and AC Milan Also Gain Cup's Semifinals

Compiled by Our Staff From Dispatches

Bayern Munich, down to 10 players when goalkeeper Sven Schaefer was sent off after 20 minutes Wednesday night, squeezed through to the semifinals of the European Champions Cup on the away-goals rule with a 2-2 draw against IFK Gothenburg.

Bayern will play Ajax Amsterdam in the semifinals.

With Schaefer dismissed for bringing down forward Mikael Martinsson outside the penalty area, Bayern held to a goalless draw in the first-leg match in Munich, staved off the few Swedish attacks for the rest of the first half.

But after the break, the visitors changed gear to full speed ahead.

Alexander Zickler, who failed to convert a golden opportunity alone with

Gothenburg goalie Thomas Ravelli early in that half, scored in 64th minute.

Zickler advanced to just outside the penalty area, where he found a hole in the tight Swedish defense, and fired a shot that was out Ravelli's reach.

Eight minutes later, Christian Neringer made it 2-0 on a well placed volley after a corner kick.

The stunned Swedes fought back with two goals, but did not manage another to force an extension.

Mats Lilienberg, who substituted for Mikael Nilsson in 77th minute, made it 2-1 only three minutes later.

The 2-2 goal was scored by Martinsson on a fine volley shot. But then it was 94 seconds into extra time, and 30 seconds later the referee blew the whistle ending the match.

Ajax 3, Hajduk Split 0: A stylish victory capped by Frank de Boer's memorable free kick put the Dutch team into the semifinals.

De Boer's second goal, in the 67th minute, came on a curling, left-foot kick around a five-man wall, the shot leaving Hajduk goalie Tonci Gabric with no chance of stopping it.

After drawing 0-0, in Split two weeks ago, the Amsterdam club never appeared close to losing at home.

Hajduk scarcely troubled the Ajax its best two chances both long-range free kicks by Aljosa Asanovic in the second half.

The Croats managed to hold Ajax for most of the first half, but Ajax finally found a way through in the 39th minute.

Ronald de Boer passed to Finnish international Jari Litmanen, who was standing just outside. Litmanen raced to the byline before chipping the ball towards the goal from the right and the 18-year-old Nigerian Nwankwo Kanu headed it home at the near post.

Five minutes later, De Boer, a defender, made it 2-0 when his flicked header of Finidi George's corner beat the diving Gabric.

Afterward, De Boer admitted he'd meant to flick the ball on, not in.

De Boer should have scored three times, but in the 71st minute he chose to pass to Litmanen with only Gabric to beat. Litmanen's resulting miss was one of a number by Ajax attackers which kept the score respectable for Hajduk.

Ajax, strengthened by Ronald de Boer's return in a midfield role to accommodate Kanu up front, and with Marc Overmars restored to the wing, attacked with pace on both flanks.

The Croatian side, which had never gone beyond the last eight in this competition, was playing without the injured Ivica Osim and the suspended Darko Buturovic and appeared shaky from the start. Goalkeeper Gabric was shown the yellow card as early as the 27th minute for wasting time.

Benfica 0, AC Milan 0: Milan, a five-time winner hoping to tie Real Madrid's record of six Champions Cup titles, gained the last four by holding Benfica without a goal in Lisbon and advancing on the strength of its 2-0 victory at home.

(AP, Reuters)

Bulgaria past France on its unpredictable way to the World Cup semifinal. PSG moved up trying to score as well as to keep Barcelona from scoring.

Ginola was having his way with José Cobos down the left side, then suddenly was swooping in from the right to land a soft cross off the post. Weah peppered a shot just wide with his seldom-used left foot, and the constant pressure delivered a header for Rai flicked off the post by Busquets after Valdo had intercepted the goalkeeper's weak clearance.

No news was good news for PSG, so long as the ball could be kept away from its beleaguered back line lacking the injured Brazilian sweeper Ricardo and the suspended defender Alain Roche.

But clues recalled from the first half — Cobos's exploitation in defense by Stoichkov, misplays by Antoine Kombarou and goalkeeper Bernard Lama — were ruthlessly exposed four minutes into the second half when Ronald Koeman's short free kick was headed by José María Bakero, and no defense in sight.

Panic was the first PSG reaction, as substitute José María García Lafuente was twice allowed to sneak alone into Parisian half — his first move saved hysterically by Lama. At the other end, Ginola was putting yet another shot off the crossbar, and the entire house shrugged disconsolately around him.

Perhaps this wasn't their night — until the 73rd minute, when Paul Le Guen's free kick was headed in by Rai for the equalizer that would soon allow Paris to serenade the name of Vincent Guérin all through the night.

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Street Wins Downhill, 5th Straight, in Final

The Associated Press

BORMIO, Italy — Picabo Street wrapped a sensational World Cup season Wednesday as the American skier won her fifth consecutive downhill triumph in the finals of the yearly competition of Alpine skiing.

Street edged, by nine-hundredths of a second, Warvara Zelenkojka of Russia in a repeat of last week's downhill finish at Lenzerheide, Switzerland.

Barbara Mordini of Italy beat another American, Hilary Lindf, for third place.

Street, 23, who had clinched the World Cup downhill title prior to the Bormio race, flashed down the 2,358-meter-long Stelvio track in 1 minute, 38.41 seconds.

She became the first American woman to win the downhill title.

Street was clocked in 1:38.50, Merlin in 1:38.71 and Lindf in 1:38.84, with Olympic downhill champion Katja Sta-

zinger of Germany, finishing a disappointed fifth.

The top finishers clocked top speeds of 115 kph down the steep course, dropping 714 meters, which hosted the 1985 world championships.

Defending World Cup overall champion Vreni Schneider held a 19-point lead over German runner-up Seizinger as she did unexpectedly well in the downhill, which is not the favorite race of the Olympic slalom champion.

Seizinger placed ninth, 1.39 seconds behind Street, and had 1,119 points.

Lindf, who won two races early in the season, finished second in the downhill standings. Seizinger finished in third place.

"To tell the truth I was surprised I won today," Street said, adding that "it must be my lucky streak."

She slightly injured the fin-



Picabo Street got her hands "on the crystal bowl."

gers of her left hand when she hit a gate during Monday's practice, but said she was not hampered in the race.

"I can't wait to get my hand on the crystal bowl," she said,

referring to the World Cup trophy.

The women's downhill kicked off the World Cup series of eight finals that continue through Sunday.

Tomba, Sitting at Home, Finally Gets His Title, as Alphand Wins Downhill

The Associated Press

BORMIO, Italy — Alberto Tomba, ending a nine-year quest, on Wednesday won his first World Cup overall title without taking the slopes as five-time champion Marc Girardelli finished 17th in the season's last downhill and failed to collect the points needed to threaten Tomba's victory.

The race was won by Luc Alphand of France, with AJ Kitt of the United States finishing second.

Alphand's third triumph this season in 1 minute, 53.30 seconds down the steep Stelvio track, earned him the World Cup downhill title. He became the first Frenchman to win since Jean Claude Killy in 1967.

Kitt, producing his best downhill result this season, finished 0.29 seconds back. Lasse Kjus of Norway was third, in 1:53.92.

Kristian Ghedina of Italy, who had been the downhill leader, came in sixth, 0.53 seconds behind the winner, to finish second in the Cup standings.

Tomba, Italy's most popular and most successful World Cup skier with 43 victories and seven specialty Cups, has 1,050 points in the overall standings, putting him 350 ahead of Jure Kosir of Slovenia and 380 ahead of Girardelli as the World Cup finals continue with a super-G Thursday, a giant slalom Saturday and a slalom Sunday.

A victory is worth 100 points, second place 80 and third place 60.

"I can celebrate now that mymatics show that I have won, at last," Tomba said by telephone from his home in Bolzano.

Firmin Zurbriggen, his Swiss teammate Paul Accola and Girardelli, who compete in all Alpine disciplines, barely beat out Tomba for the overall title in 1990, 1992 and 1993.

Stenmark, who also did not compete in speed races, won his last World Cup in 1978.

"If the combined were canceled, and speed skiers were not helped by the points system, I could have won more than one World Cup," Tomba said, adding that "if you visit the homes of Zurbriggen, Accola and Girardelli, you will find the Cups which belong to me."

He became the first technical skier in 17 years to win the men's overall crown. He said he planned to arrive in Bormio on Thursday. His first final is Saturday's giant slalom, in which he shoots for the specialty title. He has already won the slalom title.

Italy's previous overall triumph in the World Cup dated back to 1975, when Gustavo Thoeni, now Tomba's personal coach, won his fourth title following a last-race duel with Ingemar Stenmark in Val Gardena.

Stenmark, who also did not compete in speed races, won his last World Cup in 1978.

Mexico Is Out as Host Of '97 Championships

The Associated Press

MONTREAL — Mexico City withdrew Wednesday as host of the 1997 World Outdoor Athletic Championships.

President Ernesto Zedillo, in a letter to the International Amateur Athletic Federation's president, Primo Nebiolo, said his country's financial crisis made it impossible to stage the event.

Nebiolo said the IAAF would do "everything possible" now to find a suitable and dignified alternative to Mexico.

He said the IAAF had "a number of alternatives" to choose from and a new site would be selected shortly.

IAAF sources said Athens is considered a leading contender to replace Mexico. Athens has already been selected to stage the 1997 world indoor championships, but officials said there was no reason the city could not host both events.

Stratos Molivas, head of the Greek Athletics Federation, claimed in a telephone interview that "we have been promised that we will get them."

But the IAAF's spokesman, Christopher Winner, categorically rejected that assertion.

"We have made no promises to any nation, nor are we in a position to do so at this stage," Winner said. "The Greeks will

have to go through the bidding process just like any other nation."

Other possible candidates include the Spanish cities of Madrid and Barcelona.

Geraldo Cehrian, spokesman for the Spanish track federation, said Spain would decide within a week whether to support Madrid or Barcelona for 1997, or Seville for 1999.

Winner said the IAAF would petition all its federations to bid for the 1997 championships. The new venue is expected to be named by June 1, he said.

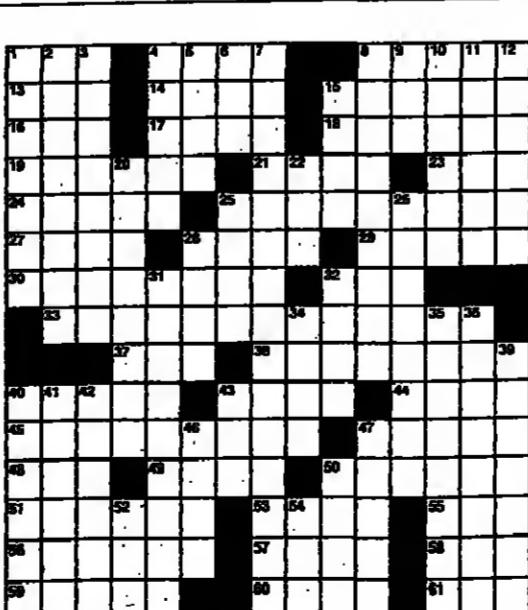
The IAAF selected Mexico as the 1997 host in Nov. 1993. The choice was a controversial one, with critics complaining about the city's altitude and pollution.

Nebiolo announced last week that the 1997 championships will be the first to offer prize money.

The Chinese team competing at this year's championships, Aug. 13-19 in Gothenburg, has turned down hotel accommodations in favor of army barracks, organizers said.

The 30-member Chinese delegation, including athletes, coaches and officials, will stay in barracks in Boras, 50 kilometers (30 miles) southwest of Gothenburg in order to promote a "team feeling," organizers said.

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SIDELINES

Former Champ Kipkoech Dies at 33

NAIROBI, Kenya (Reuters) — The former world 10,000-meter champion Paul Kipkoech died Monday night in a hospital in the remote rural center of Kapkabet, near his home in the Rift Valley, athletics officials said on Wednesday. He was 33.

Kenya's sports commissioner, Mike Boit, said Kipkoech died after a short illness, but no details were given.

Kipkoech won the 10,000 meters at the 1987 championships in Rome, then quit running in 1988 in a dramatic move that underlined Kenyan athletes' wrangles with officials over cash — with Kipkoech protesting at the time that a car he won at an international meet in Europe had been taken by an official.

Last year, he attempted a return with a few road races and half-marathons in the United States and Europe, but returned to his farm to grow maize.

(AP)

Karl Heinz Weigang, the veteran German coach, has been said to train the Vietnamese national squad, the federation said.

